

## EXTENSIONS OF REMARKS

## GEORGE SOROS ON RETHINKING THE GLOBAL ECONOMY

## HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. LANTOS. Mr. Speaker, George Soros is Wall Street's most creative historian, intellectual, and financier. The August 13, 1987, issue of the New York Review of Books includes a tour de force by Mr. Soros of United States foreign economy policy since the end of World War II and an innovative proposal for future action. Mr. Speaker, I commend this important article to my colleagues.

## A GLOBAL NEW DEAL

(By George Soros)

Since the Second World War, America has been the undisputed leader of the world economy. In military power, we had to share the first place with the Soviet Union because of our mutual ability to destroy each other; but in economic matters our hegemony was complete. The international trading and financial system reflected this fact. The dollar served as international currency and the economic policy of the United States set the course for the world economy. The United States did not fully live up to the obligations implicit in this arrangement because it did not restrict the supply of dollars sufficiently. In the 1960s U.S. corporations and other investors amassed assets abroad flooding the world with unwanted dollars. As a consequence the currency system established at Bretton Woods, which effectively tied both the value of gold and the value of other currencies to the dollar, broke down. The dollar was cut loose from the price of gold in 1971 and the fixed exchange rate system was abandoned in 1973.

After the first oil crisis, which also occurred in 1973, the commercial banks recycled the dollar surplus of OPEC countries by making loans to the oil-importing countries. Eventually, the process deteriorated into a binge of uncontrolled credit creation as the banks re-lent the deposits that their own borrowing had generated. The indebtedness of the less-developed countries reached unprecedented levels and the dollar declined in value.

After the second oil crisis, in 1979, inflationary pressures accelerated to such a degree that the Federal Reserve decided to call a halt by imposing a strict limit on the growth of the money supply. A sharp rise in interest rates precipitated a worldwide recession in 1980 and an international debt crisis in 1982.

Fortuitously President Reagan embarked on a huge rearmament program while cutting taxes at the same time. The resulting budget deficit saved the world economy from depression by providing a much-needed fiscal stimulus. In an ironic twist of fate the United States became, in effect, both the borrower and the spender of last resort.

The policy was highly successful in the short term. The domestic economy prospered

and at the same time the US acquired a vast military arsenal. President Reagan could strike a strong military pose, which seemed to appeal to the electorate, especially since it provided a contrast to President Carter's vacillation. But, as in the case of every policy based on borrowing, there was a heavy price to be paid in the long run, which in this case has not been very long. Even before the end of President Reagan's second term, the painful aftereffects are beginning to make themselves felt. The federal government is running a large budget deficit and the economy is running a large trade deficit. Both deficits are covered by borrowing from abroad. The trade imbalance has played havoc with US manufacturing industry and the accumulating budget deficit has turned the US into a debtor nation.

Japan has emerged as the leading creditor nation in the world. Ever since they lost the Second World War, the Japanese have consumed less than they produced. For the first three decades, this surplus was used to build up Japanese industry to a point where it enjoys a comparative advantage over other nations in producing many products, and the world economy has difficulty in absorbing Japanese exports. Japanese industry has acquired a vast stock of modernized capital equipment, but Japan continues to run a savings surplus that is available for accumulating assets abroad. That is a winning formula for building economic power, and Japan is fast becoming the leading economic power in the world. Whether it has already overtaken the United States depends on the measure we use. If we look at the size of the domestic market, Japan has a long way to go; but if we look at the volume of exports or, even more to the point, the volume of overseas investment, Japan is clearly in the lead. Japan's net external assets rose by \$50 billion during 1986 and reached \$180 billion by the end of the year, breaking the previous world record of \$150 billion set by the United States at the end of 1982.<sup>1</sup>

There have been other occasions when leadership has passed from one nation to another; the fact that Japan is so much smaller than the United States is not an insuperable obstacle. After all, England is even smaller than Japan and it was the undisputed leader of the world economy in the nineteenth century.

The transfer of leadership is usually a troubling and dislocating process. The most recent occurrence was during the interwar period, when England lost its preeminent position, causing turmoil first in currencies and eventually in international trade. But there has been no previous example of a transfer of economic power as rapid as the one now taking place. As a consequence, both the international financial system and international trade are under great strain. Having become overvalued during the heady days of Reagan's first term, the dollar has been declining since 1985, and its decline has been increasingly difficult to arrest.

<sup>1</sup> From *Comments on Credit*, a weekly commentary issued by Salomon Brothers, May 29, 1987.

The trade deficit shows only small signs of improvement, and protectionist pressures are strong. The willingness of foreign investors to buy our debt has been eroding and, as a result, interest rates have started to rise, posing the prospect of a recession and the specter of wholesale default by less-developed countries. Brazil has already declared a moratorium on debt repayment. Although it recently embarked on an austerity program, Brazil will not be able to resume payments if export markets shrink and interest rates rise. The morning after, President Reagan's borrowing binge looks very bleak indeed.

What is to be done? Protectionism through tariffs, quotas, and other barriers to the entry of foreign products is the counsel of despair. We have seen the consequences of the Hawley-Smoot Tariff Act of 1930, which provoked retaliatory tariffs in foreign countries and caused US trade to suffer a sharp decline. The proponents of protectionism can argue that the current imbalance is too great to allow our trading partners to retaliate effectively against US exports, and they have a point. But retaliation would take the form of a refusal to lend, and we have become far too dependent on foreign capital to allow that to happen. The imposition by the US of countervailing duties on \$300 million worth of Japanese electronic goods on April 17, 1987, precipitated an eighty-point drop in the Dow Jones averages the next morning. This is a foretaste of what would be in store if serious protectionist measures were imposed by the US.

Protectionism is the counsel of despair in another sense as well. A reduction in international trade would result in a reduction in living standards throughout the world. It would also acknowledge our failure as the leading economic power in the world. Britain introduced the principle of "Imperial preference," conferring trade advantage on imports from its overseas territories, in 1904. That was the precise moment when Britain lost its hegemony; ironically, it was also the beginning of the end of the British Empire. We ought to be able to do better. Unfortunately, protectionism appeals to certain elemental instincts, whereas a constructive policy is bound to be hard to grasp because the problems confronting us are complex.

To put matters in the simplest possible terms, the United States consumes more than it produces and Japan produces more than it consumes. Hence the imbalance in both trade and payments. To be sure, the imbalances need not be eliminated. The international economic system is flexible enough to accommodate capital flows and the transfer of economic power. What creates problems is the vehemence of the change and the rapidity of the transition. The question we must raise is why we are allowing our economic position to deteriorate at an unprecedented rate. The answer is painfully clear: we have been abandoning our economic superiority in order to achieve military superiority. We have been borrowing abroad to finance rearmament. The current account of the US, which reflects the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

balance of trade, declined by \$155 billion between 1980 and 1986, while the defense budget rose by \$138 billion between the same years.

This policy is very shortsighted. Many empires have maintained their military superiority by exacting tributes; but no great power has managed to maintain its position by borrowing from its allies. As our economic position deteriorates, we shall have to reduce our military expenditures, whether we like it or not. As Japan becomes stronger, it will have to increase its military expenditures, whether we like it or not. The sooner we confront that issue, the better. One way or another, we must eliminate or drastically reduce the budget deficit now, not at some distant date. And we must consider carefully what part the military budget ought to play in that reduction.

Our military plans were designed to protect the free world from the ever-looming and worldwide threat of communism. This policy is wholly outdated; communism no longer presents a worldwide threat. Communism as an international ideology has lost much of its appeal. It survives largely in the virulent anticommunism it has spawned in our own country, and in a few aberrant strains such as the Sandinistas in Nicaragua and the Sendero Luminoso in Peru. China today is more friendly with the United States than with the Soviet Union. Both Vietnam and Cuba face the prospect of a cutback in Soviet aid. The Soviet Union itself is in an acute economic crisis caused by the rigidity of its political system and exacerbated by the priority it places on military spending. In some respects, the two military superpowers suffer from the same economic disease, namely military overspending, although in the case of the Soviet Union the disease is incomparably more debilitating because its economy is so much weaker.

The United States and the Soviet Union are able to destroy each other. Consequently, arms reduction must also be mutual and the military balance must be maintained. Fortunately, Gorbachev seems to want to move in this direction. If both countries could reduce their military spending simultaneously and proportionately, both countries would be better off and the world become a much safer place to live in.

What would happen to the world economy, and to our own, if we managed to sharply reduce our military budget? Other sources of demand would have to take its place. Where are they to be found? In the United States higher exports and lower imports would go part of the way to compensate for reduced military spending; and industrial investment may eventually revive, encouraged by the combination of lower interest rates and greater demand for domestic products. But the US could no longer serve as the locomotive for the world economy as it has since 1982.

As for Europe, if the missile treaties currently under consideration are successfully concluded, the European nations would have to increase their expenditures for conventional armaments. Alternatively, Gorbachev may offer to reduce the military strength of the Warsaw pact countries in exchange for increased trade and credit. Either way, the European economy would be stimulated.

The outlook for Japan is much more clouded. The government has announced a variety of supplemental spending measures for stimulating domestic demand but they do not seem to have much effect. The key

question is housing. Living conditions in Japan are extremely poor and wholly inappropriate to the wealth that the country has amassed. The reason is to be found in the price of land, which is rising much faster than earnings. A Japanese family must therefore save an increasing proportion of its income in order to put a down payment on a house or apartment. That is why the savings rate is so high.

The first task of Japanese economic policy ought therefore to be to create additional living space. This could be done, first, by reducing or abandoning the subsidies and tariffs that protect Japanese agriculture and converting some of the agricultural land to other uses; and, second, by removing the sunshine laws and other restrictions that prevent the construction of high-rise buildings in urban areas.

The protection of farmers is as deeply ingrained in the Japanese political system as it is in our own. To abandon that protection would mean sacrificing Japan's self-sufficiency and allowing Japan to become dependent for agricultural commodities on the vagaries of the world economy. The choice is a difficult one for the Japanese. If Japan wants to become the leading economic power in the world, it must abandon agricultural protection just as, in 1846, England repealed the Corn Laws, prohibiting imports of grain. If it is unwilling to do so, what right has it to expect the rest of the world to keep its markets open to Japanese imports?

If Japan made more living space available to its citizens, consumption would greatly increase. Not only would there be a construction boom, but purchases of other consumer goods would pick up as well. Both Japan's savings surplus and its trade surplus would decline. In the US, a reduction in the budget deficit would move both the savings rate and the trade balance in the opposite direction. As a consequence, the imbalance between the two countries in both trade and capital flows would be greatly reduced.

We are in a strong position to press such a case on the Japanese. We are still the largest market for Japanese exports, and we provide Japan with military protection. Moreover, the policies I have outlined would, I believe, hold considerable appeal for the Japanese voters (apart from Japanese farmers), if their leaders were willing to present them. Such a shift in policy would not preclude Japan from becoming the leading economic power in the world; it would only slow down the process to a more tolerable pace.

The rise of Japan need not be accompanied by the decline of the United States. We could have an international economic system based on not one but three economic superpowers: the United States, Japan, and Europe (especially if the United Kingdom were to join the European Monetary System). For such a new system to function, however, the US would have to negotiate far-reaching reforms. Our present system has been based on the dollar as the international currency. This is quite inappropriate to changing circumstances. We need to develop a genuine multicurrency system; and to make it work, we need a genuine international central bank.

Such an institution could play a central role in resolving the debt problem of the developing world. Latin America, in particular, is badly in need of an imaginative scheme like the Marshall Plan; but the United States on its own can no longer afford a scheme of this kind. Relief has to be inter-

national and Japan has to have a prominent part in it. It should be handled by an international agency; otherwise Japan would gain a degree of influence in Latin America that the US and the European nations would not accept.

The details of a debt-relief scheme are highly complex and technical. Here I can only sketch the broad outlines. The outstanding debt would be converted to obligations issued and guaranteed by the international central bank. This would let the commercial banks off the hook and they would be required to pay for such relief by accepting an interest rate below the one prevailing in the market; or even better, they would accept a reduction in the face value of their loans. The discount in value would vary according to the creditworthiness of the debtor country in question—there is a fledgling market in third-world debt that could serve as a guide. For instance, Mexican debt can now be acquired at a discount of about 43 percent and Brazilian debt at a discount of 41 percent. Banks have begun to set up reserve against potential losses on third-world debt. At present, they amount to about 25 percent of the outstanding debt. A doubling of these reserves ought to be more than sufficient to convert the currently outstanding bank debt into obligations of the international central bank. Commercial banks would no longer be required to provide loans to less-developed countries. That task would be taken over by the newly formed institution. Commercial banks may hold the obligations of that institution just as they hold government obligations—and both kinds of obligations would rank equally in calculating the banks' reserves.

The international central bank would provide credit to sovereign countries on a continuing basis. That is to say, it would refinance the debt rather than insist on repayment, just as the national debt of the industrial countries is continually refinanced. At the same time, the present anomaly, that developing countries cannot refinance their debt, would be eliminated and Latin America would open up again as an export market. With the debt problem on the way to being resolved, private investment could also be expected to pick up again, but it would take the form of buying the shares and bonds of selected foreign enterprises rather than providing bank loans. As the main source of credit, the international central bank would be in a position to ensure that the developing countries do not once again acquire excessive debts. If foreign profit investment rose, or domestic budget deficits got out of hand, the central bank could cut back its lending.

The capital of the international central bank would be underwritten by the major industrial nations. The size of their financial commitments would be determined partly by the respective voting rights they would negotiate when they set up a central bank and partly by their trade balances. Thus, so long as the trade imbalance between the US and Japan persists, Japan would contribute more and the US less than their respective voting rights. The present allocation of voting rights in the World Bank could serve as a starting point for negotiations; but the United States can no longer expect to retain the blocking minority rights that it currently holds in the World Bank.

The institutions of the Bretton Woods system—the World Bank and the International Monetary Fund—fell short of a genuine international central bank. Strange as it

may seem in retrospect, the Bretton Woods system did not envisage large-scale international capital movements and it broke down when they occurred. The free movement of vast sums among the world's capital markets is now a fact of life and a return to fixed exchange rates has become desirable because currency fluctuations are disrupting the world economy. Speculative transactions far outweigh in importance the balance of trade in determining exchange rates; and trends in exchange rates tend to become exacerbated by speculation. As a consequence, fluctuations in exchange rates are carried to extremes, investment in fixed assets is discouraged, and "hot money" accumulates.<sup>2</sup>

An international central bank that engages in continuous large-scale borrowing operations would make a system of fixed exchange rates possible. The bank's obligations would be issued in a new international unit of account—similar to the European ECU—which would link the major currencies of the world together and allow them to fluctuate only within a narrow band. Moreover, the new institution would be able to control the worldwide money supply through its borrowing operations, much as national central banks do at present.

With the Plaza Agreement of September 22, 1985, the monetary authorities of the leading nations abandoned the system of freely floating currencies, but they have not been able to develop a better system in its place. Clearly the creation of an international central bank would infringe on the sovereignty of every nation. In all probability, only a financial crisis would induce the nations of the world to sacrifice part of their sovereign rights. History shows that every step in the development of central banking as an institution has been preceded by a crisis.

It would require an act of strong leadership to short-circuit the process. Fortunately, the United States is still in a position to provide such leadership. The US has been the linchpin of the financial system ever since the end of the Second World War. By sponsoring an international central bank it could consolidate its position at a time when it seems destined to lose it.

**HENRY KISSINGER: AMERICA,  
THE CONTRAS AND FOREIGN  
POLICY**

**HON. ROBERT H. MICHEL**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. MICHEL. Mr. Speaker, when the history of this decade is written, no chapter will be more strange than the one telling of American policy toward Nicaragua. Perhaps never before in our history, not even in Vietnam, has there been such confusion as to goals, motives, methods, and the character of public debate. If it were merely a battle between two branches of the Government, the debate over Central American policy might be better understood. But we have a unique situation: A Republican conservative President, a House dominated by liberal Democrats, a Senate that

once had a slight Republican majority and now with a slightly larger Democratic majority.

Add to this the public confusion as to the nature and the goals of the Communist Sandinistas in Nicaragua—some polls show that as many Americans believe the Sandinistas are right-wing dictators as those that believe they are Communists, and the rest are not sure—and we have a formula for foreign policy stalemate, rhetorical overkill on both sides and a total collapse of rational debate on the issues.

We have come a long way since the argument could be made—with a straight face—that the Sandinistas are not Communists, but merely beleaguered nationalists who want only to educate children and cure illness. No one who understands the situation any longer believes that myth, which we heard so often when this debate started.

But now that we have all but universal agreement in Congress—except among the more exotic elements on the left—as to the nature of the regime in Managua, what are we going to do about it?

Given the realities of history and the facts of the current situation, we cannot seriously expect a disciplined, fervent band of self-avowed believers in the Leninist theory of a "vanguard" political party to give up power just for the sake of what they perceive as "bourgeois" reform and hypocritical liberal democracy. If this is the case—and I know of no argument that has been made that could convince any informed person to the contrary—we have to support the democratic resistance in Nicaragua. And we have to support it adequately, consistently and openly.

This isn't a right-wing or conservative view—it is the reality of the situation, transcending any ideological preconceptions. The existence of a Communist-dominated military power in Central America is wholly unacceptable to the United States and to the democracies of Central America.

Where do we go from here? Henry Kissinger, former Secretary of State, has addressed that question in an article in the Washington Post. In his typically lucid and forceful style, he lays out the policy options and calls for a return to sanity and genuine understanding between the branches.

At this point I wish to insert in the RECORD, "America's Contra Muddle" by Henry Kissinger, the Washington Post, Tuesday, July 28, 1987.

**AMERICA'S CONTRA MUDDLE**  
(By Henry Kissinger)

As the Iran-contra hearings alternate between mind-numbing detail and star performances, the central issue of the balance between the executive branch and Congress is in danger of being neglected.

The conventional wisdom that modern-day presidents and their agents in the executive branch have a tendency to break laws is too simple and too self-denigrating. The overwhelming majority of public officials endure the pressures and harassments of official life because they want to make a contribution to a better world.

The real issue is not whether officials are entitled to substitute their judgment for that of Congress—not even the most zealous White House staffer would claim that—but whether our system of checks and balances is moving excessively toward the former with ever less concern for balance between

the coequal branches of government. Nearly insoluble constitutional and personal dilemmas arise when each branch of the government acts on the premise that the other is producing disaster and must be thwarted at all costs.

There were serious errors of judgment in the Iran-contra affairs, ranging from the decision to ransom hostages with arms to the arming of a country whose victory would imperil the interests of the industrial democracies, to pursuing covert policies totally contradictory to publicly stated positions. But these do not amount to a crisis of institutions.

These arise when each branch of government pushes its prerogatives to the limit, destroying the self-restraint without which the system cannot work. The conduct and funding of contra operations clearly fall into this category.

On the formal level the case is obvious. The executive branch cannot be allowed—on any claim of national security—to circumvent the congressional prerogative over appropriations by raising its own funds through the sale of government property. But equally, Congress has an obligation to put forward a clear-cut expression of what it desires. And both branches must seek to settle controversial issues not by legalisms and subterfuges but by a serious national debate setting forth premises, opportunities and risks. This is emphatically not what has happened.

The administration is of the view—which I share—that Sandinista rule in its current form is a long-term threat to the stability of Central America and hence to the security of the United States. It has therefore sought to bring pressure on the Sandinista regime, either to induce it to become more democratic or, failing that, to overthrow it (though that latter objective has never been made explicit). The administration considers the contras a key element of a new political structure in Nicaragua.

The reaction of Congress has been ambivalent. The Vietnam-born reluctance to be drawn into a conflict in Nicaragua has been matched by a hesitation to assume the blame for a collapse of the Nicaraguan anti-Communist resistance.

The result has been a series of compromises, which is the way Congress decides on legislation. This process in foreign policy tends to combine the disadvantages of all policy choices. Thus the impression created by the Iran-contra hearings that the administration violated a clear-cut congressional mandate is misleading, for the mandate has been anything but clear-cut.

There have been at least six different versions of legislation affecting contra aid, each of them authorizing support for the contras but encumbering that aid with restrictions that varied from year to year and that largely contradicted congressional consent to the principle of support for the Nicaraguan resistance.

From Dec. 21, 1982, to Dec. 7, 1983, there was a prohibition against using funds to "overthrow" the Nicaraguan government; by implication other contra activities were permitted if not encouraged, and the term "overthrow" was never defined.

From Dec. 8, 1983, to Oct. 3, 1984, there was a ceiling of \$24 million on intelligence support for military or paramilitary activity inside Nicaragua, thus blessing as well as financing these enterprises.

From Oct. 3, 1984, to Dec. 19, 1985, Congress reversed course and prohibited military or paramilitary support. Indeed for

<sup>2</sup> See George Soros, *The Alchemy of Finance*, Chapter 3 (Simon and Schuster, 1987).

nine months no new funds were provided for any purpose, though existing funds could continue to be expended. After Aug. 15, 1985, humanitarian aid to the contras was reinstated to the extent of \$27 million.

From Dec. 19, 1985, to October 1986, intelligence support was again permitted, though it was limited to advice and to communications equipment. At the same time the State Department was authorized to solicit humanitarian assistance from third countries.

On Oct. 13, 1986, Congress appropriated \$100 million in humanitarian and military assistance after a 10-week hiatus while a meeting to reconcile technical differences between the versions of the two houses was stalled by opponents of contra aid.

What message was Congress seeking to send? What was the rationale for approving assistance to the contras but constantly changing the amounts and the conditions for using them? What rationale underlay the amounts approved? And how was the administration to interpret a congressional intent that changed so often? Did Congress approve the contras, leaving only the scale of support at issue? Or was Congress seeking to destroy the Nicaraguan resistance while being unwilling to assume responsibility?

Clearly Congress provided neither continuity nor criteria to which even the most scrupulous administration could orient itself. And all the while the contras in the field, not governed by congressional cycles, were in danger of collapsing before a new congressional appropriation could be passed. Of such stuff are institutional crises made.

This in no way seeks to justify the specific measure the Reagan administration took to deal with its very real dilemma of how to keep the contras alive from congressional cycle to congressional cycle. Neither self-financing nor lies to Congress can be excused. Nor were the administration requests to Congress free of disingenuousness. For example, were the sums requested by the executive branch based on an achievable strategy, or did they reflect a judgment of what the traffic would bear? Be that as it may, to focus exclusively on administration transgressions is one-sided and misleading; congressional incoherence and ambivalence require comparable attention.

The fundamental mistake made by the Reagan administration was to seek to achieve by indirection what it should have faced head on. It should have bent every effort to bring about a national debate on the choices before the country with regard to Nicaragua and to force a congressional vote on the minimum means required to achieve its view of national objectives.

There were at least three choices:

To coexist with the Sandinista regime unless it introduced high-performance Soviet military equipment into Nicaragua.

To bring pressure on Nicaragua to return to the inter-American system by expelling foreign—especially Cuban—advisers and reducing its military forces to traditional Central American levels in return for the United States' not challenging the Sandinista political structure.

To overthrow the Sandinista regime or at a minimum (and improbably) to change its character so that the Sandinistas became one political party in an essentially pluralistic process in which the contras also participate.

The only option achievable without military pressure—contra or United States—is the acceptance of the Sandinista regime without any conditions other than the ex-

clusion of Soviet high-performance military equipment. The overthrow of the Sandinistas, on the other hand—the third option—would almost certainly require U.S. troops.

The irony of the American political process is that each of the two coequal branches of the government chose an option at the opposite end of the spectrum, but supplied means inconsistent with its preferences. A large militant minority in Congress pursued the illusion that diplomacy was an alternative to pressure. But while it is possible to debate the nature of the pressure, and of reasonable objectives, diplomatic success presupposes a balance of penalties and incentives. In the end, a hesitant majority recognized this reality and voted reluctantly for some contra aid, though never enough for even minimum objectives. This institutionalized ambivalence.

On the other hand, the administration's real objective has been the overthrow of the Sandinista political structure. This is unachievable by the means it has requested, which at best are enough for the second option: the expulsion of foreign advisers and reduction of Nicaraguan military forces. This institutionalized stalemate.

I make these criticisms with considerable sympathy and diffidence, for the administration in which I served reacted with similar ambivalence to comparable congressional challenges. In retrospect the Nixon administration's crucial mistake over the war in Vietnam (which it inherited) was not to insist on an up-or-down vote regarding its judgment on how to conclude the war. This would have required Congress to assume responsibility for its actions, would have avoided prolonged national anguish and would have brought a clear-cut resolution one way or the other. The Reagan administration will face the same endless controversy, and I fear the same unfortunate outcome, if it continues to finesse a national debate over Nicaragua.

Restoration of a sense of direction in foreign policy requires an end to hypocrisy and sanctimony. The administration must either ask for resources consistent with its objectives or reduce its objectives to attainable resources. Congress must stop carrying water on both shoulders, approving the principle of contra aid but salving its conscience by restrictions that doom it. It is, as well, time to stop the self-righteous claims that secrecy is in itself evil, especially in covert operations. What makes an operation covert is that parts of the government and Congress are excluded from full disclosure. It is imperative to debate the nature of the group that must be privy to information; it definitely must include some element from Congress. But in a world where the lines between domestic and foreign policy are eroding, the United States cannot be the only major country without a covert capability.

The United States urgently needs three things: 1) a compact between the executive and legislative branches defining the proper role for each with some precision; 2) a reassessment of how to conduct covert operations, and 3) a long-term program for Central America.

A vital democracy must be able to set realizable goals, and that must begin with mutual respect between branches of the government based on the conviction that serious people are dealing seriously with each other for the good of this country.

## INSURING THAT VICTIMS OF A NUCLEAR ACCIDENT RECEIVE FULL COMPENSATION

HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. AuCOIN. Mr. Speaker, today the House of Representatives is considering legislation reauthorizing the Price-Anderson Act. Originally enacted in 1957 to temporarily encourage the growth of the nuclear power industry, Price-Anderson states that if there is ever an accident at a nuclear powerplant, all utilities with commercial reactors would contribute \$5 million to a fund to compensate the victims of that accident. Under this scheme, the total amount of compensation provided to the victims of a nuclear accident would be approximately \$700 million.

The bill before the House today raises the liability cap to \$7 billion. In the event of a nuclear reactor accident, each utility in the country would begin to pay approximately \$10 million a year for approximately 7 years to cover victim compensation costs. But not one dime would be paid into a compensation fund unless and until an accident actually occurred.

Although this bill is a significant improvement over the current law, I believe that any cap is too arbitrary. Where do you draw the line on liability? What makes \$7 billion the magic number?

Our policy should be that all victims will be adequately compensated for their injuries, and even the best estimates tell us that in the tragic event of a nuclear accident the costs will far exceed \$7 billion. So I support the Eckart amendment to this legislation, which would provide unlimited compensation for victims of a nuclear accident. Under this plan, utilities would pay approximately \$10 million a year for as long as it takes to compensate every person who is harmed in an accident.

Mr. Speaker, several months ago I visited the site of the Chernobyl nuclear powerplant accident in the Soviet Union. It is not a pretty site. My observations of the site and the surrounding area and my conversations with the Soviet officials convinced me that the damage wrought by a nuclear accident would be much higher than \$7 billion.

My observations at Chernobyl are confirmed by several reports. For example, the 1975 reactor safety study estimated that the worst-case accident consequences could be 3,300 early deaths and \$14 billion in property damage. A June 1987 report by the General Accounting Office found that damages from an accident, under average weather conditions, could reach \$15 billion. And a Federal Insurance Administration study estimates that a more severe accident at the Three Mile Island site could have caused \$17 billion in property damage alone.

Under current law, and under the proposed bill, it's clear that, in the event of the unthinkable, some survivors of a nuclear accident will not be compensated for damage done to their property and person. And who is going to choose who the winners and losers are in such a situation? How are we going to explain

giving a check to a person on one side of the street and a "sorry, but we've run out of money" to their neighbor?

The American system of tort law is based on the premise that a person should be made whole when injured by another party. When someone departs from the reasonable person standard, the victim should be able to seek compensation for that behavior. And the threat of being held liable for these actions provides a deterrent to engage in irresponsible behavior.

But a cap on the liability of the nuclear power industry does not provide an incentive for the industry to perform in the safest way possible. For years, we've been told by supporters of the nuclear power industry that it is a safe industry, that everything is under control. If that is the case, then the industry should not fear unlimited liability. The bottom line here is accountability and safety. That's why I support the Eckart amendment, which would require that all utilities contribute \$10 million a year until such time as all victims are compensated after an accident.

In addition to the issue of unlimited liability, another issue of concern to me is the accountability of contractors employed by the Department of Energy.

Under current law, contractors at DOE nuclear facilities—like the Hanford Nuclear Reservation—are not required to buy nuclear liability insurance and they are not accountable to members of the public injured in an accident. In other words, DOE contractors at Hanford are totally shielded from liability, even if the contractor has engaged in willful misconduct.

I support the Wyden/Sharp/Synar amendment to this bill that would close this egregious loophole. This amendment would essentially hold contractors liable for damages in cases where injuries were caused by gross negligence or willful misconduct by corporate management. Without this amendment, a blanket exemption from liability removes any safety incentive created by the tort system. And to the extent that liability is absent, the contractor does not have any financial interest in ensuring that a product is designed and made with the safety of the user in mind.

Oregonians who live in the shadow of the Hanford Nuclear Reservation in Washington have a particular interest in encouraging safety in nuclear powerplants.

That's because they have been put at risk by poorly maintained, technically outdated facilities at the reservation and several components of the Hanford complex have, in fact, been shut down. But that's a result more of public pressure, rather than concern by the contractors over safety of the operation. Clearly, contractors should be held responsible for ensuring the safety of the operations conducted for the Department of Energy.

Last year, Congressman NORM DICKS, Senator MARK HATFIELD, and I won a \$20 million increase in appropriations for defense waste management at the Hanford Reservation. This year, Congressman DICKS and I have won approval of a similar increase for the Energy Department's 1988 operations.

But if DOE contractors were subject to potential liability, we probably would not have 1,000 hazardous waste hot spots on the Han-

ford Reservation today. There might not be millions of gallons of mixed radioactive wastes sitting in 149 single-shell steel tanks, several dozen of which are leaking extraordinarily dangerous material. And, it might not have had to take several independent analyses and substantial congressional and public pressure to put the N-Reactor into an extended shutdown mode.

Once again, the issue is accountability and safety.

This amendment will restore the incentive for DOE contractors to perform in the safest manner possible. For me, that's the bottom line.

### COMPETITION CHALLENGES ODYSSEY OF MIND STUDENTS

**HON. JAMES J. FLORIO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. FLORIO. Mr. Speaker, earlier this year, the Odyssey of the Mind Finals were held on the campus of Central Michigan University in Mount Pleasant, MI. This year marked the eighth time that the competitions of creativity and problem-solving have been sponsored by the Odyssey of the Mind Association, Inc. of Glassboro, NJ.

I would like to take this opportunity to commend the team members from my home State of New Jersey who participated in the finals and came up winners for both their determination and their achievement.

Garnering a first place prize in the Division II Chain Reaction competition, the Pitman Middle School roster was as follows: Jennifer Abbott, Matt Danadio, Andrew Levan, Laura Williams, Susan Bartelt, Christopher Genter, and Jon Mollenhauer, and their coach, Brian Farr.

In the Division I Cro-Magnon puzzle, the Sparta Elementary Enrichment Teams, consisting of Scott Thomas Illingsworth, Jessica McIntyre, Jesse Damon Wilbur, Alysha Meredith Myronuk, Allyson Jane Bainbridge, Lisa Hamer, and their coach, Elaine Pace, won second place.

Also winning second place in the Division II Poetic License competition was the Sayreville Middle School with Keith Barrack, Dana Bialow, Lori Brower, Carrie Czernikowski, Kristin Mioduszewski, Portia Resnick, Jennifer Stelman, and their coach, Gina Herdegen comprising the winning team.

Ramsey High School also came up in the winning tradition with third place in the Division III Chain Reaction contest at the finals. That team includes Bobby Chin, Joseph DelRio, Craig De Young, Gary De Young, James Hoppin, David Suzuki, Karen Suzuki, and their sponsor and coach, Barbara Hoppin.

There were many other students participating in the competition from throughout the State of New Jersey. Their determination to put their skills and their knowledge to work in the challenging contest is a victory for them, their parents, and their teachers.

The Odyssey of the Mind is no mere puzzle. Rather, it is a series of challenges that students working as teams try to solve within

time and cost limits. Left to their creative devices, students from across the Nation compete.

Their novel and creative approaches to problem-solving demonstrate time and time again that, when equipped with the educational tools, students can tackle tough, mind-boggling problems in innovative ways.

I commend these students and the many other students from New Jersey and from schools all over the Nation and the North American continent for making the effort in this competition.

Praise is also due to the organizers and sponsors, the Odyssey of the Mind Association, Inc., as well as the coaches who gave their best to their students in this contest.

In the competition to make education work on a practical level, these students have succeeded.

### TAIWAN: MOVING CLOSER TO FULL DEMOCRACY

**HON. MIKE ESPY**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. ESPY. Mr. Speaker, as the whole world focused its attention on the dramatic developments toward democratization in South Korea, in recent days and weeks, even greater movements toward a full democracy were taking place in the Republic of China on Taiwan.

On July 15, 1987, Taiwan ended 38 years of martial law and enacted a new National Security Law. From my discussions with Prof. Nathan Mao of Shippensburg University, an authority on Taiwan affairs, and members of Taiwan Ambassador Fredrick F. Chien's staff, I understand that the new security law restores the rights of assembly and association of the people, and even more importantly, the law specifies that citizens are to be tried in civilian instead of military courts.

In a recent article, J. Terry Emerson explains that the 10-article security law compares favorably with U.S. statutes governing immigration, coastal defense, and restricted zones and that the passage of the security law is a clear indication of Taiwan's determination to become a fully democratic country.

Indeed, no movement toward democratic reforms would have been possible without the determined efforts of President Chiang Ching-kuo. It was President Chiang who convinced the conservatives within the ruling Kuomintang that the martial law, first imposed in 1949, had served its purpose in bringing about Taiwan's economic success and that the time had come for the country to move toward constitutional democracy.

In fact, in last fall's election, Taiwan's first opposition party, the Democratic Progressive Party, with the blessing of the Kuomintang, elected its own members to the national legislature and has been functioning as the major opposition party ever since.

Not only was President Chiang committed to see the formation of the new political party, he was equally determined to end martial law and pass the new security law. On June 24, he commented that the law's passage "was

the first step toward promoting democratic politics in the Republic of China. Promoting democratic politics must be done step by step within the framework of the laws of society. We have a lot of things to do, and I hope that everybody can abandon their differences and unite to overcome all hardships and problems and bring the ROC into a new era."

A step-by-step approach is what I would like to see taking place in Taiwan. Despite its booming economy, Taiwan still faces an hostile neighbor across the Taiwan Straits. Mainland China has not abandoned the threat of using force to overtake Taiwan. National security and social stability must therefore be first among considerations as Taiwan moves toward constitutional democracy.

Such a movement requires the cooperation of everyone, and full cooperation, especially from members of the Democratic Progressive Party.

Mr. Speaker, like my friends and colleagues in Congress, I applaud the recent political developments in Taiwan. In the words of Ambassador Fredrick Chien:

The passage of the new Security Law is an historic event for the Chinese people. It was a triumph for the people and the government. It meant that the Chinese people on Taiwan will soon be enjoying freedoms and rights common to all Western democracies. In incorporating the spirit of the United States Constitution, the new Security Law will serve the Chinese people well, as the American people have been so ably served by its Constitution for the last two hundred years.

In closing Mr. Speaker, I wish the Chinese people on Taiwan, President Chiang Ching-kuo and Vice President Lee Teng-hui of the Republic of China the best of luck as they embark upon their "new era of democracy."

#### CONGRESSMAN BARTON'S 1987 ANNUAL QUESTIONNAIRE

**HON. JOE BARTON**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. BARTON of Texas. Mr. Speaker, earlier this year I mailed out my 3d annual Sixth District questionnaire. As of today more than 11,000 Sixth District residents have returned their completed surveys. This year's survey clearly proves that the residents of the Sixth Congressional District have strong opinions on issues before the 100th Congress. The information from the completed surveys has been, and will continue to be extremely valuable in assisting me in forming my positions on many bills before the Congress. At this point, I would like to insert the final results of my 1987 questionnaire for the information of our colleagues.

#### QUESTIONNAIRE RESULTS

Percent

1. President Reagan recently announced his support for the Superconducting Super Collider (SSC). This major facility will put the U.S. at the forefront of basic scientific research and create jobs. The cost of the SSC is estimated to be \$4-6 billion. Do you support this project?  
Yes 82

#### QUESTIONNAIRE RESULTS—Continued

Percent

- No response 15
2. A.I.D.S. is a very serious, communicable disease with no known cure. Should the same public health standards, policies, and procedures be applied to A.I.D.S. as are applied to other deadly communicable diseases?  
Yes 90
- No 9
3. Many nations place high tariffs and restrictive import regulations on American products. Do you favor establishing equal tariffs and regulations, on a nation by nation basis, for foreign imports to the U.S., even if this action causes higher prices for imported goods?  
Yes 79
- No 19
4. Do you support an import fee on all crude oil shipped into the United States?  
Yes 62
- No 36
5. The goal of the Strategic Defense Initiative (SDI or "Star Wars") is to develop a non-nuclear missile defense system that destroys attacking enemy missiles before they reach our nation. If proven feasible, should we begin to deploy this missile defense system?  
Yes 82
- No 15
6. The line-item veto would allow the President to veto specific parts of spending bills without vetoing the entire bill. Do you favor giving the President this authority to control spending?  
Yes 77
- No 22
7. Last year the Supreme Court overturned the automatic enforcement provision of the Gramm-Rudman deficit reduction bill. Subsequently, the Congress did not meet the Gramm-Rudman deficit target. Is it important to amend the Gramm-Rudman law so that the annual deficit target must be met?  
Yes 79
- No 16
8. Should Congress raise the national minimum-wage, currently set at \$3.35 per hour, even if this results in higher unemployment?  
Yes 23
- No 76
9. President Reagan recently vetoed the Clean Water Bill and the Highway Reauthorization Bill because he felt they contained too much wasteful spending. I supported both presidential vetoes. Should President Reagan continue to veto spending bills that exceed budget targets?  
Yes 85
- No 11
10. Soviet spying devices have been discovered in the New U.S. Embassy in Moscow. What should be done about this? (a) debug and refurbish if possible; (b) reclaim the new Soviet-Washington Embassy, return the new American-Moscow Embassy and start over; (c) demolish the new Moscow embassy and rebuild on the same site.  
A 36
- B 48
- C 11
- No response 5
11. What is the best way to provide catastrophic health coverage for senior citizens? (a) through existing federal government programs such as Medicare; (b) by establishing private sector incentives such as tax credits and/or special savings plans like I.R.A.'s; (c) combination of both "a" and "b".  
A 30
- B 17
- C 48
- No response 5
12. If the Federal Government is the provider of catastrophic health care for senior citizens, which method do you most support to pay for such coverage? (a) premium increase in Medicare (Bowen Plan); (b) tax benefit recipients (Stark-Gradison Plan); (c) general tax increase (Pepper Plan).  
A 33
- B 23
- C 31
- No response 13

#### A TRIBUTE TO MALCOLM BALDRIGE

**HON. JERRY LEWIS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. LEWIS of California. Mr. Speaker, we were all shocked by the tragic death of Malcolm Baldrige on July 25, 1987. Last evening in her commentary, Nancy Dickerson, a commentator for Fox Television News, captured

the essence of this outstanding public servant and human being. I submit it to the CONGRESSIONAL RECORD for your consideration:

It's ironic that the Iranian Arms scandal hearings had to be interrupted for Malcolm Baldrige's Memorial Service. What a contrast! Whereas the hearings are filled with lying and deceit, Baldrige, Secretary of Commerce, was just the opposite. He was the quintessential straight shooter, loved for his honor and trust.

As we sat in the big cathedral, waiting for the President to arrive, I thought of those hearings and the contradictions they posed: how our foreign policy suffered massive blows at the hands of deception, while in the same period Baldrige was negotiating equally difficult matters at the highest levels with success, in part because of his own personal integrity.

I've covered a lot of funerals, starting with Martin Luther King, the Kennedy brothers, and Eisenhower: and this one was distinguished in that it was not so much a sad farewell as a celebration of a life that was all a life should be. First of all, President Reagan's eulogy was superb. A-plus. My Irish grandmother, an expert on these matters, would have declared that no one could have done better. The President told how Mac, as he called him, how Mac was a member of the Cowboy Hall of Fame, who had died with his boots on, roping steers; how Mac had ordered that there were only two people in the whole world who could interrupt his meetings at all times: one was the President (meaning himself) and the other was any cowboy who happened to call.

In life, Baldrige taught us how to live. His death, tragic as it was, became a time for the President and for this city to forget the hearings and to focus on our greatness and to be proud that Malcolm Baldrige was part of us.

I'm Nancy Dickerson and that's my commentary.

#### ON THE CUTTING EDGE IN THE LEHIGH VALLEY OF PENNSYLVANIA

**HON. DON RITTER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. RITTER. Mr. Speaker, the Lehigh Valley of Pennsylvania, which I represent, is once again on the cutting edge of technological innovation. Years ago, the first transistor was manufactured at the Allentown Bell Laboratory. Today, AT&T is constructing an \$85 million research laboratory in nearby Breinigsville to conduct fundamental and applied research on photonics—the use of light to carry information. Photonics will be the key to unlock vast new potential of the Information Age.

The following is a July 21, 1987, article which appeared in the Philadelphia Inquirer describing the Lehigh Valley facility and what it will mean to the future of the telecommunications industry and to the ability of Lehigh Valley citizens to contribute to the information age. I trust my colleagues will find it both as interesting and exciting as I did.

The article follows:

[From the Philadelphia Inquirer, July 21, 1987]

# IN PENNSYLVANIA, BELL PLANNING A NEW VISION OF THE FUTURE

(By Jim Detjen)

BREINIGSVILLE, PA.—On a ridge looking out over cornfields here in rural Lehigh County, more than 300 construction workers clang and pound and weld in the hot summer sun as one of the nation's most important scientific facilities slowly takes shape.

It is the \$85 million AT&T Bell laboratory, where, in 1988, 800 scientists, engineers and other employees will begin the kind of work that could dramatically change the way most people live.

Bell scientists say advances here might someday lead to television images as clear as color slides, machines that type letters merely by being talked to and vastly faster and more intelligent computers.

They foresee the day when their work here can help people to inexpensively send and retrieve movies, music and information from anywhere in the world. And when people, using inexpensive videophones, can see whom they are talking to thousands of miles away.

Specifically, what will go on in the 450,000-square-foot facility about 60 miles northwest of Philadelphia is fundamental and applied research on photonics—the use of light to carry information.

Executives with Bell Labs believe that photonics will be the most important communications technology in the coming decades. With the use of advanced lasers and ultrathin glass fibers, they say, it is possible to transmit far more information faster and less expensively than with conventional electronics.

Photonic, says T.R. Thomsen, president of Bell Labs' technology systems group, is "the world's newest, most promising technology." And Mark Melliar-Smith, executive director of the Labs' electronic and photonic devices division, said the new laboratory would make the Lehigh Valley "one of the world's centers for photonics."

John Mayo, executive vice president of AT&T Bell Laboratories, calls photonics a "killer technology" with the potential to kill off existing communications technologies such as coaxial cables. He noted that in a recent experiment, the equivalent of the entire Encyclopaedia Britannica was transmitted on fiber-optic cables in less than one second.

"The center of gravity of photonics for Bell Labs is already in Pennsylvania, and it is growing steadily," said Melliar-Smith. "The development of electronic technology at our laboratories has clearly shifted to Pennsylvania."

AT&T Bell Laboratories is recognized worldwide as one of the premier centers for basic and applied scientific research. During the last half-century its scientists have invented the transistor, digital computer, laser, solar cell, communications satellite and countless other devices that are important strands in the fabric of our technological society.

Its scientists hold more than 21,000 patents—an average of one a day since the labs were founded in 1925. Seven of its scientists have been awarded the Nobel Prize in physics; no other scientific operation comes close.

AT&T Bell Laboratories employs 20,500 people at 22 different sites. It has 11 facilities in New Jersey, where it is headquar-

tered. Other Bell facilities are located in Illinois, Georgia, Ohio and Massachusetts.

The new laboratory, which is known in the Solid State Technology Center, is being erected on a 205-acre site about 10 miles southwest of Allentown, where two other Bell laboratories already exist. A third Bell laboratory in the state is located in Reading. About 1,400 Bell employees work in Pennsylvania. The 800 employees at the new lab will be transferred from other Bell labs in Pennsylvania and New Jersey.

AT&T executives say they selected the Lehigh Valley site for its new laboratory for several reasons: It is centrally located between Bell Labs' major facilities in northern New Jersey and AT&T's manufacturing plants in Reading and Allentown; it has good educational facilities such as Lehigh University, and it is far less expensive than northern New Jersey.

Housing in the Lehigh Valley is one half of what it costs in northern New Jersey," said Arnold Durham, a spokesman for AT&T Bell Laboratories in Pennsylvania. "And with the completion of Route 78 in two years, we'll be able to drive to New York City within 1½ hours."

For more than a century, scientists have known of the vast potential of sending information by light waves. But it was not until 1960, with the invention of the laser, that Bell engineers began focusing their attention on photonics.

Melliar-Smith said that two developments in the 1970s helped to pave the way for the commercial development of this technology. One was the development of the semiconductor laser, which makes it possible to shoot out bursts of focused light at room temperatures. The second was the development of ultrapure glass by Corning Glass Works, which has enabled light to be sent long distances.

In photonic systems, information is transmitted as pulses of highly focused light from tiny lasers and light-emitting diodes no bigger than grains of salt. The light pulses are carried over incredibly transparent glass fibers. Scientists say that if sea water were as clear you could see to the bottom of the deepest oceans.

Melliar-Smith said that a series of advances had caused the cost of photonics technology to plunge a hundredfold during the last five years. "And we are continuing to cut the cost of this new technology in half every year," he said.

To make the chips used in photonics, scientists use highly precise machines. One device, known as molecular beam epitaxy, can place layers of atoms on a chip—tailor-making new materials. But these machines need extraordinary clean and vibration-free environments in order to work properly.

Mickey Brown, the laboratory's construction project manager, said the new facility was being built upon shale because these rocks could absorb vibrations. Noisy air conditioning and heating equipment is being placed in a separate building. And engineers are using twice as much steel and 8,000 to 10,000 more cubic yards of concrete than normal to make the structure as stiff as possible.

To minimize dust particles that can damage chips, engineers have designed three special "clean rooms," which are 100,000 times cleaner than the most spotless hospital operating room. Special ventilation systems will filter out dust particles from the air.

When the facility is operating workers will be covered except for their eyes with

special white suits to make sure they don't track in dirt and dust. Cosmetics, deodorants and hair sprays will be banned to keep these substances from contaminating the air. Pencils and paper that give off tiny dust particles and fibers when used will be prohibited.

To make the new facility as flexible as possible, laboratories will be built in 10 "pods" that can be altered quickly when new research needs emerge.

Bell executives say they expect that many of the important developments in photonics in the years to come will be made at the new Lehigh Valley laboratory. For example, they say that components of optical computers—faster, more powerful computers that scientists predict will be developed in the next quarter-century—will probably be developed here.

"It is fitting to recall that the first transistor was manufactured at our Allentown factory, launching the age of modern electronics and micro-electronics," said Mayo. "With this facility, Pennsylvania will once again be the focus for a world-changing technology."

## THE GILBO FAMILY—REUNITE THEM WITH THEIR DAUGHTER IN THE UNITED STATES

### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. LANTOS. Mr. Speaker, recently, I have come to have doubts about the promise of "glasnost." While it is true that Jewish emigration has increased from the Soviet Union, these figures are still far below the peak year of emigration of 1979 when over 51,000 Jews were granted permission to leave.

Today, I would like to bring the case of the Gilbo family to the attention of this House. Evgeny Gilbo, his wife, Tatiana, his mother Rachel, and brother Joseph, have been refused permission to emigrate since their first application to leave in 1981. Their only daughter, Olga, was granted permission to emigrate and now resides in California with her husband Michael Solomon. I find it tragic that the Soviet Government allows Olga to emigrate but forbids her family to leave and subjects them to continued harassment.

The continued pattern of persecution of refuseniks is evident in the treatment of the Gilbos. Subsequent to their application to emigrate, Evgeny was stripped of his academic degrees for "activity incompatible with the image of a Soviet scientist." Tatiana was fired from her job, on the rumor that her family planned to emigrate, Olga was expelled from school, and Joseph was fired from his job.

The disturbing story of the Gilbo family is compounded by the fact that Olga is pregnant. I cannot think of a better midwife to take care of Olga's child than her mother, Tatiana. Unfortunately for the Gilbos, they will probably spend this year, and perhaps, others, separated from their daughter and new grandchild.

Recently, Mr. Speaker, the Soviet Union made a pledge to work to reunify divided families. Soviet law provides that a first degree relative must live abroad in order to extend an invitation to emigrate. Olga is a first degree

relative and the family is most anxious to be reunited. When the Helsinki Agreement was signed in 1975, the Soviets agreed to help reunify families.

Mr. Speaker, I am deeply concerned that significant violations of human rights still continue in the Soviet Union despite the positive signs of "glasnost." It is my sincere hope that leaders of the Soviet Union will come to realize the importance of the observance of human rights—and in particular the rights of the Gilbo family to emigrate in order to be reunited with their daughter.

### CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

**HON. SILVIO O. CONTE**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. CONTE. Mr. Speaker, I rise today in response to the Congressional Call to Conscience Vigil for Soviet Jews. As a member of the Massachusetts Union of Council for Soviet Jews, I have consistently supported and will continue to support letters written to General Secretary Gorbachev and other world leaders on behalf of Soviet Jews and all others being oppressed by their governments and being denied permission to emigrate to the country of their choice. I can't tell you how many "Dear Colleague" letters I have sent or co-signed dealing with Soviet Jewry.

I am always moved by anger and sympathy whenever I read of Soviet citizens resorting to hunger strikes, as Les and Ina Elbert did, as a last attempt to gain their freedom. And why? Simply because they do not practice the religion their leaders say they must, or because they hold different views than their government does.

Many of the applicants are refused because of alleged charges used to rid the authorities of the responsibility of processing the application. The case of Yuli Edelshtein is, unfortunately, a common example of how the Soviet Government deals with such cases. Mr. Edelshtein, a teacher of Hebrew, was convicted on trumped-up charges of drug possession in 1984. He was also asked to sign a confession to a crime he did not commit in exchange for needed medical attention. He refused. This is just one example of how the Soviet Government deals with the applicants. They create charges to convict the applicants so they no longer are eligible to emigrate. Thankfully, through persistent efforts, Mr. Edelshtein was recently released and allowed to emigrate from the Soviet Union.

Others, like Dr. Benjamin Charney, suffer from grave maladies such as cancer and are constantly denied permission to emigrate to receive the urgent, necessary, medical treatment they desperately need.

Many letters cross my desk on behalf of the same families—Mr. Lev Blitshtein, Vladimir Lifshitz, Vladimir and Izolda Tufeld, Vladimir Slepak, and Semion Kats, to name a few. These names I see over and over, and each time I cosign a letter on their behalf, I do so with more vehemence than the time before.

Vladimir and Izolda Tufeld stick in my mind the most because, like so many other Soviet

Jews, they are denied exit visas even though they have family in the country they wish to emigrate to. The Tufelds have only one son, Igor, who lives in Israel. Both Vladimir and Izolda are in extremely poor health and wish to see their son, but still aren't allowed to emigrate to Israel. Many of you know Igor Tufeld who has tirelessly pursued his dream of one day being with his parents in Israel. I hope we will soon see his dream come true.

Despite General Secretary Gorbachev's claims of glasnost hundreds of Soviet Jews are being refused permission to emigrate not because of their alleged access to "state secrets", but rather because of their religious beliefs and their differences in political or social opinion to those of their government.

It seems to me that the new Soviet glasnost policy is not all it appears to be once one gets over the initial shock of hearing about Soviet reform. I recently learned of eight Soviet Jews who were told, a mere 16 days after Mr. Gorbachev initiated the glasnost program, that they would never be allowed to leave the Soviet Union because of alleged exposure to "state secrets." This does not sound like a policy of openness to me.

The Soviet refuseniks are subject to terrible discriminations by the Soviet Government. They are often demoted in their jobs or lose them entirely. They lose their telephone service. They become targets for KGB harassment. And they are subject to KGB searches of their homes.

The oppression of Soviet citizens also directly affects citizens of the United States. Keith Braun, an American citizen, met his Russian wife, Svetlana, while visiting the Soviet Union as a law student. However, when he returned to the United States, he was not accompanied by his new bride because she was denied permission to emigrate. She has applied for and has been denied permission on five separate occasions. They still have not been reunited, as is the case of several other couples.

Other families, such as David Gusak and his wife Clara Dudnik, who have families living here in America, are denied exit visas for no apparent reason. Mr. Gusak has never committed any crimes against the Soviet Government, nor has he been exposed to any state secrets, yet on two occasions he and his wife have been denied permission to emigrate to the United States to join their daughter and son-in-law who reside in Pennsylvania.

Sometimes families are granted exit visas, only to be turned aside just before they are due to leave. The Lurie family has been applying for emigration since 1978. In 1980, the entire family was granted visas, but they were rescinded about a month later, utterly destroying the morale and confidence of the family. There is no doubt that the building up of their hopes, only to destroy them is a terrible form of psychological harassment.

Soviet oppression of people is not limited to the Soviet Union, but has spread to other countries behind the Iron Curtain such as East Germany, Romania, and Bulgaria. Time and time again I hear about people whose human rights have been violated. I recently signed a letter on behalf of Nikolay Cocev who currently resides in the United States. His wife and two children, however, have repeatedly been

denied permission to emigrate. These people need not be of the Jewish faith to be discriminated against. They need only to have views or beliefs that differ from those of the government. These oppressive governments do not want their people to leave simply because they hold different political and social opinions or religious faiths than the government does.

Mr. Speaker, I would just like to conclude by saying that it is our duty not only to uphold the issue of Human Rights, but to spread it to countries like the Soviet Union, East Germany, Bulgaria, and Romania. This Congress must continue to apply pressure to the Soviet Union and all other nations who keep their citizens in oppression to uphold and ensure what Thomas Jefferson wrote in the Declaration of Independence more than 200 years ago: "That All Men Are Created Equal."

### REBUILDING THE FARM CREDIT SYSTEM FROM THE GROUND UP

**HON. VIRGINIA SMITH**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mrs. SMITH of Nebraska. Mr. Speaker, I rise to call my colleagues' attention to the continuing financial distress facing the Farm Credit System. How Congress should address this problem is one of the most intensely discussed issues of this decade, not only on Capitol Hill, but in every coffee shop in every rural community across this Nation.

In each of the last 2 years, we have passed legislation hoping to avoid directly bailing out the Farm Credit System. The 1985 Farm Credit Amendments created the Capital Corporation to help facilitate the transfer of the System's surplus assets between Farm Credit districts. Last year, we allowed the System to use accounting practices that spread the System's losses out over a 20-year period.

Both times, Mr. Speaker, Congress completely neglected the borrower. The Farm Credit System is facing such huge losses simply because so many farmers are unable to meet the original terms of their Land Bank or Production Credit Association loans. The System is losing nearly 13,000 customers, and \$1 billion in business each month.

Mr. Speaker, while the patient has been steadily bleeding to death, we have simply said that the doctor bills could be put off for twenty years. This time, we need to administer the medicine and heal the wounds that threaten the very existence of the Nation's largest agricultural lender.

Not long ago, the Farm Credit System created a new logo that is found on its letterhead. The logo depicts a plant with three leaves and a root system. The leaves represented the three separate banks within the System, while the roots represent the member-borrowers who sustain and anchor the structure.

In many ways, the Farm Credit System is still strangling itself. Of all the major agricultural lenders, it is the last to realize that it could no longer indiscriminately foreclose on every loan, prune every root, and still survive.

My district is made up of 62 rural counties in the western two-thirds of Nebraska. I visit each of these counties at least once each year. On these visits, I am approached by farmers and ranchers who are angry, disillusioned, and sometimes even frightened at the recklessness of the Farm Credit System.

Past management decisions, the deterioration of its competitive position, and the erosion of investor and borrower confidence have undermined the overall health of the System and will continue to affect its ability to maintain the System's traditional role as a source of sound and reliable credit for several years.

Mr. Speaker, the House Agriculture Committee has been asked to markup Farm Credit legislation and present it to the full House for passage before the August recess. I would urge my colleagues to support a bill that would rebuild the Farm Credit System from the ground up, by aiding the farmers and ranchers who sustain it. I have presented the Agriculture Subcommittee on Conservation, Credit, and Rural Development with a very detailed statement identifying many of the System's underlying weaknesses and possible solutions.

My statement emphasizes that the Farm Credit System will not recover without the participation and support of its member-borrowers. With your permission, Mr. Speaker, I would like to enter that statement in the RECORD:

**THE FARM CREDIT SYSTEM: PROPOSED REFORMS SUBMITTED TO THE HOUSE AGRICULTURAL SUBCOMMITTEE ON CONSERVATION, CREDIT, AND RURAL DEVELOPMENT**

(Statement of Hon. Virginia Smith)

Mr. Chairman and Members of the Subcommittee: The 100th Congress again is trying to address the plight of the Farm Credit System, the Nation's largest agricultural lender. The continuing financial distress of this system is one of the most challenging and persistent agricultural issues of this decade.

For the third year in a row, the Farm Credit System is soliciting Congress for assistance to deal with a very difficult agricultural situation. The combined System has operated \$4.2 billion in the red over the last two years alone and may lose that amount again by the end of the decade. These unprecedented losses threaten the very viability of an institution once considered as solid as agriculture itself.

Mr. Chairman, it is clear an assistance plan will need to be in place by the end of this year. If Congress does not act quickly, eight System banks will be insolvent by the end of the year and another eleven may follow in 1988.

I realize we are restrained by two considerations—how to make the System accountable for the assistance provided and whether we can afford that assistance—but any further delays could prove fatal. Without any reserves, the System's lenders have no alternative to liquidating their remaining troubled loans. The loss of loan volume and further deterioration of the Systems reputation for soundness would make our rescue efforts even more difficult and costly.

Reflecting the needs of borrowers and the Farm Credit System, here are the basic elements of desperately needed System reform that should accompany granting federal assistance:

1. Restructure troubled loans under carefully defined circumstances on a case-by-case basis.

2. Restore soundness of the system through prudent and conservative lending policies for all new loans.

3. Establish minimum capital reserves in each bank available for borrower stock retirement and other usual obligations.

4. Establish a Rural Credit Insurance Corporation to protect borrowers' stock investments and the System's bond obligations while funneling any federal assistance through this insurance fund and into the System itself.

5. Insist that all assistance be repaid.

6. Abolish the Capital Corporation.

7. Retire the Farm Credit System's remaining high-interest bonds with federal assistance.

8. Assist individual banks with federal aid whenever reserves fall below five percent of outstanding loans.

9. Grant limited authority of the insurance corporation to issue government guaranteed bonds.

10. Authorize the insurance corporation to underwrite bonds of individual banks whose assets fall below a level that would prevent participation in the bond market.

11. Provide for adequate federal oversight to make the System accountable, and liable, for federal assistance received.

12. Encourage and reinforce stockholder participation in the management of System institutions.

13. Encourage borrower-stockholders to re-establish local banks and associations if feasible.

14. Allow mergers of unlike entities but only at the subdistrict level.

15. Offer borrowers alternatives to purchasing B-stock as a condition for obtaining a loan.

16. Reimburse in full the original value of borrowers' B-stock in Production Credit Associations that were liquidated in Nebraska and elsewhere.

17. Create a secondary market for agricultural loans made by all lenders, including commercial banks as well as the Farm Credit System and other lending institutions.

In this statement, I have discussed each of these elements in greater detail.

The Farm Credit System was created as a borrower-owned cooperative whose business decisions were made by local boards of directors consisting of the very farmers and ranchers it served. Today, farm and ranch families who have relied on the System's lenders for years, and even decades, find they have borrowed from, and invested in, a bureaucracy that is often unable or unwilling to see them through a difficult period in agriculture.

**1985 AND 1986 FARM CREDIT AMENDMENTS**

Mr. Chairman, we have passed legislation twice within the last two years to buy time for the System. In 1985 and again in 1986, Congress attempted to avoid a direct federal bailout by providing the System with the means to help itself. Unfortunately, the System's dilemma was bigger than even many knowledgeable people understood.

The Farm Credit Amendments Act of 1985 created the Capital Corporation to facilitate the transfer of surpluses and sharing of capital throughout the System. Last year, we permitted the System to use accounting procedures that allowed losses from any single year to be stretched out over a twenty-year period.

However, the System's fundamental problems have not changed. It is still plagued by a high level of nonaccruing loans and other non-earning assets on one hand, while burdened with high cost of debt on the other. Despite mergers and consolidations, the System still suffers from excessive operating costs while it loses nearly \$1 billion worth of business each month.

It is time to return to the fundamental structure that has been the System's traditional strength. We should keep in mind that no amount of federal aid, oversight, or further consolidation of the Farm Credit System will restore the System to a position of long-term viability without the participation of its existing and potential borrowers.

The Farm Credit System still lends to more than 600,000 producers nationwide. Its \$50 billion loan portfolio represents nearly one third of all agricultural debt. A certain degree of social responsibility is inherent in an institution of this size. Yet, as I testified before your committee earlier this year, the cards and letters I receive almost daily in my office from heartbroken borrowers indicate that the Farm Credit System's lenders have shunned this role far too often.

**LOAN RESTRUCTURING**

It is true the Farm Credit System is itself hostage to an often volatile agricultural economy. However, to a certain extent it is a victim of its own self-defeating policies. Despite the steady attrition of its borrowers, the System continues to pursue, with some notable exceptions, economic expediency.

Last year, the System restructured only 3,741 of more than 50,000 nonaccruing loans, loans that the borrowers were unable to meet at the original terms. Forty-two percent of these were in the St. Paul Farm Credit District alone. This is a poor record of responding to the economic realities agriculture faces today.

Even the Farmers Home Administration, with an even riskier loan portfolio, extended some sort of debt relief to almost 100,000 farmers in need in 1986. So far this year, the FmHA has made extra special efforts to assist 53,000 borrowers by reworking loans to a level that the farmer is better able to repay.

Because of the Farm Credit System's relative inertia, Congress must take the initiative to expand the loan restructuring programs some Farm Credit Districts have already begun. Any farm credit legislation passed by Congress this year should contain incentives and explicit instructions that require the System's lenders to adopt a broad loan restructuring policy that reflects current market value of collateral and the borrower's ability to repay.

When it is found that the restructuring of an individual loan is less costly than foreclosing on that loan, taking into consideration all attending legal costs, collateral depreciation, and lost income potential from keeping the loan in existence, every effort should be made to rework the loan to repayable terms.

**SOUND LENDING POLICIES AND OPERATING PROCEDURES**

But we should remember, the System's primary role is to provide producers with a sound, reliable, and affordable source of financing. While debt restructuring is preferable to liquidation, especially when the costs of foreclosure exceed the costs of forbearance, establishing sound operating guidelines and prudent lending practices is a more sustainable long-term policy.

Past mismanagement, particularly the System's unchecked expansion of the late 1970's and early 1980's, overexposed the System to the fluctuating misfortunes of agriculture. In addition, basing loan quality on the value of collateral is proving painful to say the least. The System's managers did not foresee the need for prudent lending guidelines in the past, but we have that foresight today.

More than ever, the System must assure both borrowers and investors that it will be viable in the long run. I urge your committee to include in the assistance package you are considering specific steps to require each lending institution to develop a conservative loan policy that includes adequate lending limits and bases loan decisions on the borrower's projected equity and realistic ability to repay.

The facts are that many current borrowers, caught unexpectedly in the crunch between lower property values and lower commodity prices, would be unable to obtain Farm Credit System financing under these proposed standards. Therefore, they should apply only to new loans and follow an appropriate phase-in period. Any loan policy plan developed by the board of directors of a System institution should be approved by its voting stockholders.

I also join those who have suggested that the Farm Credit Administration (FCA) be given authority to require each bank to establish an adequate capital reserve that may not be used to make new loans. This is common precaution followed by most responsible banks that should be strictly enforced with respect to the Farm Credit System.

While the System's lenders may be forced to be more cautious in making loans in the future, I do not foresee them becoming too restrictive considering the System could use all the business it can get. The overall benefits from restored borrower and investor confidence in the stability of the System would more than outweigh any inconveniences.

#### RURAL CREDIT INSURANCE CORPORATION

To complement the rebuilding efforts of individual banks in each district, Congress should consider the establishment of a Rural Credit Insurance Corporation, drawing from the experience of certain federal regulatory agencies of commercial banks, including the Federal Deposit Insurance Corporation (FDIC) that protects depositors when an insured institution fails. The Rural Credit Insurance Corporation would protect the value of the individual borrower's stock investment.

To accomplish this, each bank would be required to keep an insurance reserve of at least 5% of its outstanding loans (i.e. par value of B-stock) plus an amount adequate to protect the institution from a dramatic decline in the value of the security behind its loans.

The System's remaining cash in hand, about \$1.2 billion, could provide the initial funding for the Rural Credit Insurance Corporation. The reserve would be built by requiring each institution to pay a yearly premium determined by the Farm Credit Administration.

When the fund has been built to a level with which the Corporation could easily meet its obligation, any excess reserves would then be available to lenders as a source of low-interest capital for future loans.

However, there are some valid objections to the establishment of a System-wide insur-

ance fund. Requiring each System lender to contribute to a central reserve fund ties up a substantial amount of capital that would otherwise be available for making loans. Also, until the reserve fund is fully established, the yearly premiums would be an additional expense that would be passed on to the borrower.

You have heard several sources proposing the type of system-wide reserve fund I have outlined here. I would also caution you, Mr. Chairman, to be sure we are not establishing another permanent layer of bureaucracy to the Farm Credit System's structure. The board of directors of any central reserve fund should not become another regulatory agency.

Despite the potential shortcomings of a Rural Credit Insurance Corporation, the alternative is much worse. Until now, the System has relied on "joint and several liability" to guarantee the timely payment of principal and interest of any bonds issued by its individual institutions.

Simply stated, joint and several liability means that each institution must come to the aid of any other should the troubled institution be in danger of default on its obligations. Some have described joint and several liability as meaning "all for one and one for all."

The Omaha Farm Credit District has been a net recipient of aid over the past few years. Without joint and several liability, the Omaha Federal Land Bank would now be insolvent. I am naturally reluctant to endorse the elimination of the provisions of the Farm Credit Act that have kept the Omaha banks afloat.

In the Omaha district's current weakened condition, I also strongly oppose any legislation whose net effect would be to allow bond investors to discriminate against bonds issued by the Omaha district. With the relative risk involved, investors would demand a substantially higher rate of return to buy Omaha bonds, resulting in higher interest rates for borrowers in Iowa, Nebraska, South Dakota, and Wyoming.

I am aware, however, that joint and several liability has run its course. The concept has been successfully challenged in the federal courts, and in any case, the System has very little remaining surplus to share among the Districts. Some districts have given so much assistance that they too are in need of help. It is senseless to continue to drain the resources of the entire System when a federal rescue is unavoidable after all.

It will be some time, though, before the System will be able to guarantee the timely payment of system bonds through a central reserve fund. Without a government guarantee of System bonds in the interim, bond rates would rise, and borrowers would pay the price in higher interest rates. The resulting loss in business would cripple the System beyond repair.

#### CAPITAL CORPORATION

With the establishment of a central insurance corporation, the Capital Corporation would become obsolete and should be eliminated. The Capital Corporation was created by the 1985 Farm Credit Amendments to enhance the cooperative nature of the Farm Credit System. The 1985 plan, as envisioned by Congress, called for the Capital Corporation to collect assessments from the Districts to be used to buy the nonearning loan and real estate of the financially distressed districts. In exchange for much-needed financial assistance, the Corporation took over management of the loans it purchased.

There is almost unanimous disappointment on Capitol Hill with the performance of the Capital Corporation. The Corporation saw itself primarily as a liquidator, showing very little sensitivity to the unique needs of agricultural borrowers. In addition, it is inherently alien to the standard structure of the Farm Credit System as it does not answer directly to member-borrowers.

Bank officials at all levels complain that the Corporation has interfered with their own rebuilding and restructuring initiatives and is an unnecessary burden on the System's resources. And finally, due to court cases that have successfully challenged its authority, it is essentially ineffective.

#### FEDERAL ASSISTANCE

Funneling federal assistance to the Farm Credit System through the Rural Credit Insurance Corporation would be much more acceptable than using the Capital Corporation for this purpose, as some have suggested. Like others who have spoken about legislation pertaining to the Farm Credit System, I feel the Capital Corporation should be required by law to wind down its activities, including returning the loans and property it has acquired back to the banks where they originated. Any remaining assets should be deposited in the central reserve fund controlled by the Rural Credit Insurance Corporation.

The resources available to the Insurance Corporation should be used to meet the two most immediate needs of the System. The first of these is paying interest expense on the relatively high interest bearing bonds issued by the System during its rapid expansion in the 70's and early 80's. Federal relief could be provided to an individual bank if meeting its interest obligations would deplete the banks reserves below 5% of the value of its outstanding loans. This is the equivalent to assuring that each bank has sufficient reserves to retire borrower stock at par value.

#### THE SYSTEM'S INTEREST EXPENSE

The Government Accounting Office reported to your committee last year that the interest alone on these high-interest bonds have cost the System over \$4 billion in unnecessary interest expense over the past two years and will cost an additional \$4.5 billion over the next twenty. This is interest expense that is inevitably passed on to the borrower.

Every effort should be made to retire these bonds early to save this tremendous expense. Bondholders are willing to sell back these bonds before they mature, but only at a premium. The Insurance Corporation should have the authority to contact those bondholders and negotiate a purchase price if this would be cost effective.

In order to raise enough funds to meet its obligations, the Insurance Corporation may eventually need to have the authority to issue Treasury guaranteed bonds. Strict annual limits should be placed on this authority to avoid an outright handout. This would also give Congress the ability to annually review the progress of our assistance efforts and would go a long way in encouraging economy in the System's activities and enforcing any legislative reforms.

#### THE SYSTEM'S CAPITAL PROBLEMS

The other problem to be addressed by the Insurance Corporation is the potential collateral shortage faced by several individual banks. The law requires each institution to have sufficient assets, or collateral to back the bonds issued by that institution. The In-

Insurance Corporation should have the authority to back the bonds of individual banks if the banks assets would not be sufficient to allow it to go to the bond market.

I am suspicious of any scheme to allow the Insurance Corporation to use government-held assets such as Commodity Credit Corporation surplus crops or farmland owned by the FmHA as collateral to back bonds issued by the System. The System is already financially overburdened managing the 2.2 million acres of farmland it has acquired through foreclosure.

If our assistance efforts should eventually fail and the System is forced to sell these assets to meet its obligations, land and grain prices would plunge just as they are beginning to stabilize. At best, with commodity traders aware of the grain pledged to the Farm Credit System as security on its bonds, grain prices would tend to reflect the System's health. For the next few years at least, this could have a negative effect on the grain markets.

#### FEDERAL OVERSIGHT AND REPAYMENT OF ASSISTANCE RECEIVED

Some method of federal oversight of the activities of the Insurance Corporation may be appropriate; however, I do not agree that a federal takeover of the System is necessary. Farmers do not want the Federal Government telling them how to run their own banks.

As long as any bank's directors are made accountable to its member borrowers and the System is required to repay the assistance it receives in full, the System should have the self-discipline to overcome its difficulties.

When it is determined that a System bank that has received assistance is no longer in danger of impairing borrower stock, or defaulting on its bond obligations, it will then be required to assume responsibility for as many of the bonds issued by the Insurance Corporation in its behalf as it is able. Almost everyone agrees with the premise that federal assistance should not be a handout, including the System itself.

The federal oversight role should be sufficient to monitor the System's progress in resolving its problems, rebuilding its customer base through responsible banking procedures, and determining if further aid would eventually lead to the System's financial independence.

#### ENCOURAGING BORROWER PARTICIPATION IN SYSTEM MANAGEMENT

The better alternative to federal management of the System is to encourage the active participation of its owners, the member-borrowers who are directly tied to its fortunes. This time around, it may be wiser to reorganize the System at the sub-district level. Past mergers of System institutions into a single district-wide bank have proven unpopular with borrowers and often did not achieve the efficiency promised.

Congress should give stockholders the option to re-establish independent local banks or associations that have a reasonable chance to be self-sustaining. The stock and bond protection provided to individual banks by the Insurance Corporation, as I have discussed earlier, would help encourage farmers to take this step.

There has also been a great deal of discussion in Congress this year about amending the Farm Credit Act to allow the mergers of unlike entities within the System, such as allowing Production Credit Associations to merge with Federal Land Banks. In general, farmers are opposed to further consolida-

tion of the System because the resulting merged bank is even further removed from their direct control.

However, there is some merit in this proposal. Allowing a single bank to offer loans to producers for both operating capital and for purchases of farmland would help to diversify the bank's loan portfolio and would be more convenient to the borrower.

Mr. Chairman, mergers of this type may help reorganize the System at the local level, but producers would not welcome consolidating all banks into one district-wide institution if it can be avoided.

#### STOCK ALTERNATIVES

Producers should also be given the opportunity to consider alternatives to purchasing stock as a condition for obtaining a loan through the Farm Credit System. Some options include establishing annual participation fees, requiring the borrower to purchase loan insurance, or perhaps simply allowing the borrower the option to pay a slightly higher interest rate in lieu of purchasing stock.

The System has traditionally used B-stock as security in case of a borrower's default on a loan. The stock also provides the System with free capital to make new loans which helps to hold down overall interest rates.

In recent years, however, many borrowers have been reluctant to apply for new loans from System lenders because they are afraid their stock may not be returned at full value, if at all. Future built-in safeguards, such as the Rural Credit Insurance Corporation, loan quality standards, and sound operating procedures that I have described would protect the borrowers' interest.

To promote further discipline in the operation of System banks, borrower stock may be at risk in the future. "At risk" borrower stock would be phased in to correspond with the ability of the Insurance Corporation to meet its obligations. Until that time, the government guarantees that would allow banks to continue to retire borrower stock at full par value would be maintained.

In the future, the System may need greater flexibility in order to attract new business. Any changes, including allowing the System's banks to issue conventional shares of common stocks, should be at the discretion of the stockholders of each bank.

#### LIQUIDATION OF CERTAIN PRODUCTION CREDIT ASSOCIATIONS

Mr. Chairman, the future of the Farm Credit System is secure if it can regain the confidence of the farmers and ranchers of this nation who sustain it.

As I testified earlier this year, and again emphasized in a personal letter to each member of your subcommittee, the necessary trust between lender and borrower has been seriously undermined in the Omaha Farm Credit District by the liquidation of two Production Credit Associations in my congressional district.

The resulting loss of or freezing of borrower stock in these defunct institutions created a bitter wave of doubt and anger among the entire System's existing and potential borrowers.

The Farm Credit System will not be respected on Wall Street if it is not trusted on Main Street. Restoring the full value of the borrowers' stock lost in the few liquidated Production Credit Associations in Nebraska and elsewhere would go a long way in erasing the credibility gap that lingers over the System. Therefore, it is absolutely vital that these borrowers be compensated through the legislation you are currently shaping.

#### SECONDARY MORTGAGE MARKET

And finally Mr. Chairman, I urge your committee to include legislation that would create a secondary market for agricultural real estate loans. Secondary markets have proven beneficial to other sectors of the economy, such as the housing industry, and could benefit agriculture even more.

The secondary market would allow rural banks to sell farm real estate loans to investors. The Farm Credit System, backed by the Federal Government, would guarantee that investors who purchased these loans would receive the principal and interest as agreed in the original terms of the loan. Rural banks would then use the money from the sale of real estate loans to finance future real estate loans.

Not only would banks have more money available to help farmers purchase farmland, but in the long run, farmers would potentially benefit from lower overall interest rates. A secondary market would also allow rural banks to offer long-term, fixed-interest real estate loans. A farmer's interest expense would be set for the life of the loan and would not rise or fall with inflation.

Mr. Chairman, the Farm Credit System is still very much integrated into the rural economy and is vital to the future success of agriculture. The Omaha Farm Credit District alone has invested an average of \$15 million in each of the 281 counties it serves. Fully 213 producers in each county are stockholders of at least one System institution.

Saving the System is certainly going to be a very difficult task that will take a number of years and will require the cooperation of the Federal Government, the System's managers, and most importantly, the member-borrowers themselves. My proposal I have outlined in this statement would allow the borrowers to take the initiative in reforming the System. Without their active support, all our efforts will be in vain.

The failure of the Farm Credit System would reach deep into every rural community. We have witnessed the hardship caused by the failure of just a few institutions in the past, and I urge this subcommittee to take action soon to prevent an even wider crisis in the future.

#### TRIBUTE TO JAMES J. KEHOE

#### HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. LANTOS. Mr. Speaker, I wish to pay tribute today to James J. Kehoe, the retiring Postmaster of San Mateo, CA. Jim has served the city of San Mateo with integrity and with a deep sense of commitment as its Postmaster since 1946. It is with gratitude and great personal pleasure that I honor Jim Kehoe today for his 40 years of dedicated public service to the people of San Mateo.

Jim has deep roots on the peninsula. He attended the College of San Mateo and received his L.L.B. from the Law School of the University of San Francisco. During World War II he served for 3½ years as a lieutenant commander in the Navy. Jim saw combat at Saipan, Palau, and Guadalcanal and received the Presidential Unit Citation for the Saipan invasion.

Also, Jim has a distinguished record of public service. He was elected to the San Mateo City Council in 1940 and served as acting mayor for a time. He has been a member of the San Mateo City Planning Commission and of the Child Guidance Committee. Jim's public service has also been recognized on the national level as well. He was one of the Presidential electors for California in the 1946 Presidential election and he was appointed a member of the President's Committee for Traffic Safety.

Voluntary community service has been one of Jim's greatest contributions to the peninsula. He was chairman of the San Mateo County Community Chest and President of the San Mateo County Chapter of the March of Dimes. His dedication to Boy Scouts includes service as district chairman of the San Mateo County Council of the Boy Scouts and a member of the National Finance Committee of the Boy Scouts of America. He was also a charter member of the San Mateo Boys Club of America.

Jim has been active as a veteran and has been dedicated to veterans' causes. Jim has been a member of the Disabled American Veterans, the American Legion, Veterans of Foreign Wars, and the California Veterans Jockey Club Foundation. He was California State Commander of Amvets and a member of the Amvets National Executive Committee. He has also served as chairman of the Navy Day, Commandant Representative for San Mateo County, and San Mateo County recruiting officer for the U.S. Navy Reserve.

Mr. Speaker, I am delighted today to recall the many accomplishments of Jim Kehoe and to pay tribute to him in recognition for his service to San Mateo. As he retires from his position as Postmaster, we hope this provides additional time for service to all of us on the peninsula. Mr. Speaker, we wish him well on his retirement.

## HUMAN RIGHTS IN NICARAGUA

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. MICHEL. Mr. Speaker, media reports about a recent report of the Nicaraguan Association for Human Rights emphasize that the association—funded by the United States—uncovered human rights abuses among the democratic resistance forces fighting communism in Nicaragua.

This much is true. What the newspaper reporter did not stress, however, is that in its report, the association stated:

To the credit of the resistance, the NR (Nicaraguan Resistance) is probably the only revolutionary movement that allows human rights monitors within its ranks—for ideological reasons identified with its democratic principles and objectives and because of the source of the funds for resistance operations.

The fact that this human rights organization refers to the "democratic principles and objectives" of the NR is all-important because such a statement helps to put into perspective

the difference between the resistance and the Sandinistas.

One way of understanding this difference is to recognize the difference between the two opposing forces concerning the concept of legitimate authority.

To what other body of legitimate authority in Sandinista-dominated Nicaragua can Nicaraguans turn in order to get an authoritative and binding moral or political judgment, if such judgment disagrees with the current policies of the Sandinista leadership?

The answer, of course is that there is no authority in Nicaragua recognized by the Sandinistas except themselves, not only in terms of running the country, but in setting the guidelines within which all activity—political, cultural, educational, business, military, economic, and governmental—can operate. In short, when an atrocity is committed by a Sandinista soldier, it is possible that the Sandinista government may punish him for it. But they are not punishing him because he has transgressed against some principle of Sandinista rule, but because for the moment such punishment is seen to be in the best interests of the revolution. If punishment of human rights violations is not seen as being in the interests of the revolution, then no punishment is called for. What matters are not rights of the people but the interests of the Sandinistas.

There is no authority outside the Sandinista regime to which a Nicaraguan can—from the Sandinista point of view—legitimately appeal, since the Sandinistas, as the "vanguard" party has the historical right and duty to guide Nicaraguan people. This "right and duty" come from the fact that in Marxist-Leninist theory, the Sandinistas and the Sandinistas alone know what is good for the people because the Sandinistas, as good Marxist-Leninists, have a scientific knowledge of the way in which society works, economies operate, government policies are set, and, most importantly, history works.

Therefore, a human rights violation by a Contra, horrible as it might be, can be investigated and appeared against, because the Contras have, as the report said, "democratic principles and objectives," which means at the very least a pluralistic system in which no one party or group can claim total control because of some supposed historical "right" to rule and to determine the moral as well as political standards of society.

The question isn't whether or not isolated human rights violations have occurred among the Contras. In an internecine war of stealth and ambush, fighting elite Communist troops in the treacherous world of the guerrilla war, where yesterday's noncombatant becomes today's government informer, the probability of human rights violation arising from criminality, fear, mistakes, and just plain stupidity, are high.

All such facts are to be not only deplored and condemned but, wherever possible, investigated so that the facts can be established and, if criminal acts have been shown to have occurred, the criminals brought to justice.

But, as the report points out: "The Sandinista government continues to deny permission to conduct investigations inside Nicaragua \* \* \*"

Thus, while the following allegations of Sandinista atrocities cannot be verified in the same methodical fashion used to investigate alleged human rights abuses by members of the Nicaraguan democratic resistance, they should be read to give some idea of what Nicaraguan citizens believe their current rulers are capable of.

What follows is annex C, pages 31-35, of the "Six-Month Report on Human Rights in the Nicaraguan Resistance," made by the Nicaraguan Association for Human Rights [ANPDH]:

#### ANNEX C—ALLEGATIONS AGAINST THE SANDINISTA GOVERNMENT RECEIVED BY THE ANPDH FROM NOVEMBER 1986 TO JUNE 1987

In accordance with the measure that provides funding for the Association, the primary task of the ANPDH is to report on violations of human rights within the resistance. Nevertheless, the ANPDH, as an additional function, has recorded allegations against the Sandinista government received by staff members in Honduras and Costa Rica. These allegations were recorded in the course of other investigations and taken from individuals who visited the Association's offices.

Since the Association has neither the means nor the charter to investigate these charges, it forwards them to organizations which are appropriately prepared to handle them. These organizations include: a) the Inter-American Commission on Human Rights (IAHCR) of the Organization of American States in accordance with the San Jose Pact and the American Convention of Human Rights, b) Amnesty International, and c) other national and international organizations concerned with human rights.

The following is a list of cases from ANPDH and earlier UNO-CDH files passed to the organizations mentioned above. Allegations received with little or no supporting material are kept in Association files until such information is available.

Diego Manuel Munoz, 52 of San Carlos, Nicaragua—captured by Sandinista troops in July 1979. Two months later, his body was delivered to relatives. Also, his wife Candida was imprisoned and tortured, according to daughter Maria del Carmen Munoz Espinosa.

Manuel de Jesus Mejia Flores of Esteli—robbed of 160 head of cattle by a Sandinista army patrol on May 15, 1981. When he complained to authorities, he was imprisoned for 27 days. Two years later a farm belonging to him in Wamblan was confiscated. When he complained about the confiscation, he was imprisoned for two months. On May 9, 1985, all of his property was confiscated.

Fausto Saenz Sosa, 42, of El Cano de los Martinex (Waslala), Nicaragua—shot by Sandinista soldiers in the left leg March 10, 1982.

Reynaldo Cerda, 21, naturalized Costa Rican citizen living in Upala, Costa Rica—abducted by Sandinista troops from his boat in the San Juan River in June 1982. When his father, Manuel Cerda Estrella went to San Carlos (Nicaragua) to inquire about him, he was reportedly imprisoned and tortured.

Francisco Chavarria Meza—tortured mutilated, and murdered near El Cua by Sandinista troops on August 18, 1982, according to Silvio Pens Olivas.

Juan Rayo Centeno, a farmer from Quebrada Arriba (Nueva Segovia)—captured and mistreated by State Security agents and the Sandinista army in January 1983. Later escaped to Honduras.

Cesar Alejandro Garcia Rocha, a naturalized Costa Rican citizen captured by Sandinistas near San Carlos in January 1983. Reportedly tortured during a 45-day imprisonment and interrogated by Cubans.

Rufino Eliseo Obando Vanegas, 39, farmer from Belen—shot in the left leg by Sandinista troops during a forced recruitment attempt. Was jailed 15 days without medical care, then taken to Managua's Military Hospital where his leg was amputated. February 1983.

Leonardo Castro Olivas of La Cana (Wiwili)—tortured and killed by Sandinista troops on February 16, 1983, according to Ceferino Castro Castro. The patrol allegedly tied his hands and feet and threw him into the Wamblan River.

Francisco Villagra Medina, 20, of San Juan de Aguas (Wiwili)—eyes gouged out, tongue cut off, castrated, and beheaded by Sandinista soldiers on March 6, 1983. IACHR case number 9899.

Rafael Lopez Salarruz, 36, of Birmania, Costa Rica—reportedly taken under false pretenses to the Nicaraguan border by a Sandinista agent posing as a cattle purchaser. Disappeared since March 1983, and, according to Nicaraguan ex-prisoners, seen in Sandinista jails.

Denis Morales, Guillermo Morales, and Bayardo Ruiz Silva, farmers from Granada—reportedly captured by Sandinista soldiers on March 8, 1983. Denis Morales was killed, Guillermo Morales remains in a Sandinista jail, and Bayardo Ruiz Silva was beaten on the spine.

Jose Ramon Perez Calderon was allegedly tortured by Sandinista soldiers in Esteli on March 9, 1983.

Marcial Sobalvarro Picado was murdered by Sandinista troops at Aguas Calientes (San Jose de Bocay) on March 11, 1983.

Marcos Barrios, of El Corral (San Carlos)—seized by Sandinista soldiers, forced to dress as a soldier, and murdered in April 1983.

Tomas Perez Peralta and Jose Angel Rivera of El Triunfo (Wiwili)—captured at home on May 18, 1983 was murdered by Sandinista troops. After being shot, both were tied to a horse and dragged.

Pedro Loria Garcia, 29, a Costa Rican from Upala and resident of Las Azucenas—captured by Sandinista forces in June 1983, taken to San Carlos, jailed, and tortured. While in prison, he was shot in the left leg and crippled. He was repatriated with the help of the Costa Rican consul in 1984.

Pablo Altamirano Castro of Los Planes de Vilan (Jinotega)—shot to death by soldiers, June 8, 1983.

Marcos Herrera Murillo, 25, of Tola (Rivas)—murdered at his brother's farm in Nancimi on August 17, 1983.

Hilario Garmendia Gonzalez, of San Juan de Limay (Esteli)—allegedly murdered by Sandinista troops on August 22, 1983. His son, Lorenzo, was reportedly wounded.

Jamilet Sequeira and Guillermo Loria, a married couple from Los Pantanos—murdered by a Sandinista soldier alias "William" on September 17, 1983. IACHR case number 9900.

Gerardo Acuna Gonzalez, 28, a farmer from Upala, Costa Rica—wounded by a mine placed by Sandinista forces on a farm in Costa Rican territory on September 28, 1983. Mario Martinez was also wounded.

Camilo Sequeira, 26, from Macho Coyol (Rio San Juan)—reportedly seized October 15, 1983 and taken to San Carlos where he was tortured. Later, transferred to the Carcel Modelo prison in Tipitapa where he remains. IACHR case number 9854.

Auxiliadora Rivas Urbina, 28, of El Tamboral (Rio San Juan)—captured by Sandinista State Security on November 20, 1983. She was found three months later in the Carcel Modelo prison, and claimed she had been tortured. IACHR case number 9856.

Edmundo and Leocadio Cardenas Gomez—beheaded by Sandinista elements at La Llorona (Wiwili) on December 11, 1983, according to Jose Gonzalez Cardenas.

Herberto Blandon Celedon, 19, from Matiguas (Matagalpa)—reportedly murdered at the Sandinista military base Mulukuku in December 1983. He had been forcibly recruited on November 22, 1983 from the Instituto Nacional in Matiguas.

Roberto Amador Narvaez, a pilot, was captured in 1983 when his plane was shot down delivering supplies to the Nicaraguan resistance. Seized with other crewmembers who died from lack of medical attention. Sentenced to 30 years in prison, he is confined in the Carcel Modelo. Denied medical treatment, he suffers from a serious spinal condition, as well as partial paralysis. IACHR case number 9202.

Silvio Robelo Ortiz, 27, an industrialist from Managua—taken from his home on January 10, 1984 by State Security agents who broke in. Taken to El Chipote prison and sentenced to 30 years for alleged counterrevolutionary activities with a law retroactively applied. IACHR case number 9036.

Leon Ulises Valdivia Gonzalez, 21, a farmer from El Zapote Kum (Matagalpa)—killed by Sandinista elements January 27, 1984.

Carmela Mairena Pomares, 87—murdered by a Sandinista military patrol commanded by Captain Gerardo Arce Castano, brother of Sandinista comandante Bayardo Arce Castano, in front of the Catholic Church in San Jorge (Rivas), April 10, 1984.

Juan Jacinto Rodriguez Guillen—allegedly killed by Sandinista elements in Susucayan on April 15, 1984, according to brother Pedro Ortiz Guillen.

Humberto Urbina Chavarria, guard of Sandinista President Daniel Ortega until December 1982—seized in June 1984 and accused of counterrevolutionary activities. Sentenced and pardoned in May 1985. Recaptured in November 1985 along with his wife Tomasa Hernandez. His wife was released in January 1986, but he was forced to bear false witness against himself and is being processed by the Tribunales de Excepcion.

Manual Adan Rugama Suazo, a physician—captured on June 3, 1984 and sentenced to nine years in prison by political tribunals. His brother is Comandante Aureliano in the resistance. Despite cardiac problems, he is kept in isolation cells without medicine. Since June 1987, he has disappeared from the Carcel Modelo. IACHR case number 9365.

Aquiles Obregon Garcia of Rivas—killed by a patrol led by Captain Gerardo Arce Castano, brother of Sandinista comandante Bayardo Arce Castano on August 2, 1984. When the victim refused to be recruited by the patrol, he was ordered shot in front of his family. Captain Arce reportedly warned family members to keep quiet or they would suffer the same fate.

Laureano Rodriguez Solano, 33, of Acoyapa (Chontales)—seized at the hacien-

da El Coral in November 1984. Sandinista captors tortured him by pulling out fingernails and forcing him to witness the death and mutilation of three peasants. He later evaded his guards and escaped.

Jose Ramon Centeno Garcia and Pedro Antonio Centeno Garcia, natives of Aguas Sacras—allegedly killed by Sandinista soldiers because their father did not keep an appointment on August 17, 1984.

Gerardo Price Sinclair, 38, from Bluefields—seized by State Security agents on several occasions for counterrevolutionary activity. Claims Sandinista troops burned five houses in September 1984 in El Torreon (Zelaya). IACHR case number 9869.

Juan Enrique Gutierrez Cruz from To mayunca (Jinotega)—killed by a State Security member while driving his jeep on October 1, 1984.

Edwardo Paredes Martinez of Chinandega—taken on October 8, 1984. A Tribunal de Excepcion sentenced him to eight years in prison. He was reportedly tortured in captivity. IACHR case number 9691.

Cesar Augusto Flores Miranda, 23, was first captured by Sandinista authorities in 1984 and kept in prison six months. On November 19, 1985, State Security apprehended him again. He remains in the Zona Franca prison. IACHR case 9692.

Cristobal Rivera Herrera, 33, of Santa Teresa de Kilambe (Jinotega)—seized near Rancherias, and later transferred to Leon for detention. Was held in Leon until the end of 1984, and has since disappeared.

Cristobal Rosales Granados, 22, a farmer from Santo Tomas—killed by Sandinista troops on May 2, 1985 in El Serrano in Nueva Segovia department. His body was found by neighbors several days later.

Francisca Ofelia Marin Jarquin of El Valle de los Arados (Nueva Segovia)—reportedly killed on May 12, 1985 by Sandinista soldiers. Five soldiers are said to have raped her sister in a nearby field.

Vicente Vanegas Suarez, 60, of Boca Tapada—killed with 18 others on June 22, 1985. Three of the victims were children. Family member Felicitio Vanegas claimed the killing had no logical motivation. IACHR case number 9877.

Miguel Gonzalez and Guillermo Reyes of Boca Tapada were tortured and killed by Sandinista soldiers on June 25, 1985. According to eyewitness Edwing Gonzalez, Reyes was castrated and stomped in the abdomen with a bayonet. Gonzalez was killed by a shot to his head, and his brother Lugardo was also shot. IACHR case number 9878.

Fermin Mairena Rizo—allegedly killed by Sandinista elements at San Jose de Bocay on August 1, 1985, according to Diego Krauz.

Juan Jose Garcia Hernandez, a human rights activist—arrested on September 17, 1985 and confined in the Zona Franca \* \* \* according to his brother Cruz.

Jose Mairena Quezada—illegally arrested in \* \* \* September 22, 1985. He is now at the Carcel Modelo according to Angela Mairena Reyes.

Pedro Sequeira Ramirez, 40, of Mancha Coyol (Rio San Juan)—reportedly killed by Sandinista forces on October 26, 1985 at a bean plantation. Wounded by shots, Sequeira Ramirez was beheaded and his body was hung from a pole next to his house. IACHR case number 9767.

Salomon Telleria Salinas, 52—taken from his house in Leon on December 6, 1985 by State Security agents. No charges were specified and he died in detention February 14,

1987 as a result of injuries received while being tortured. IACHR case number 9711.

Ramon Garcia Silva from Upala, Costa Rica—wounded by an alleged Sandinista mine on a Costa Rican farm on December 13, 1985.

Daniel Obando Centeno, an evangelical pastor from El Diamante (Zelaya)—reportedly murdered along with his son, Omar Obando, by Sandinista troops on December 20, 1985 for refusing to renounce religious beliefs. Witness Pablo Julian Hernandez Zavala, 41, also a pastor, claimed that the Sandinista army also killed 13 other persons in that area.

Cecilio Rivas—arrested and confined at Boaco from December 19, 1985 to June 1987 without charges. He is the father of resistance comandante Quiche. IACHR case number 9701.

Hugo Hernandez Ochomogo, 58, a physician from Leon living in Matiguas (Matagalpa)—seized by Sandinista State Security agents without being charged in 1985, and tortured in prison. Later released. IACHR case number 9752.

Rafael Roca Pena, 49, of Cardenas (Rivas)—allegedly kidnapped on March 5, 1986. Has remained in Sandinista jails without a trial. IACHR case number 9702.

Simeon Sequeira, 46, of El Fajardo (San Miguelito)—killed by a Sandinista army patrol on June 20, 1986. Also killed were his son Juan Sequeira Moran, nephew Gregorio Sequeira Lazo, and an unidentified 5-year-old granddaughter. Eyewitness Jose Rivas Urbina said the soldiers entered Sequeira's house firing automatic weapons without any explanation. IACHR case number 9866.

Teofilo Sevilla Centeno—reportedly killed by Sandinista elements at San Juan de Aguas Sucias, Jinotega department, on June 20, 1986, according to Susana Sevilla Rodriguez.

Maria Munoz Costurera of El Trompezon (Jinotega)—murdered from her house by Sandinista soldiers on July 15, 1986 and taken into the countryside where she was shot to death.

Calixto Centeno—allegedly murdered by Sandinista elements near San Jose de Bocay on August 29, 1986.

Buenaventura Osorio Ponce—robbed and murdered by a Sandinista patrol in Wamban in August 1986, according to Hortencia Reyes Gonzalez.

Miguel Angel Rodriguez Garcia, a native of La Concordia (Jinotega)—seized in his house by a Sandinista patrol on October 24, 1986. They allegedly tied his hands and shot him to death.

Marcos Castellon Perez—beheaded by Sandinista forces at Sabana Grande near Ocotal on January 20, 1987, according to Roger Centeno Perez.

Maximino Lopez, 12 of Kukara Arriba (Bluefields)—ambushed with his family and approximately 20 others on their way to seek asylum in Costa Rica on February 28, 1987. Lopez swam to safety across the San Juan River and later stated that most of the group had been killed.

Jeronimo Vasquez, 37, of Calsigua (San Jose de Bocay)—captured, murdered, and beheaded by Sandinista forces [no date].

Tulio Moreno, 40, native of El Cua de Abajo (Wiwili)—allegedly captured by Sandinista forces and tortured to death [no date].

Marcos Antonio Cerna, a peasant from Los Laureles (Wiwili)—captured and tortured by Sandinista soldiers who cut off a finger before releasing him.

Marcos Jose Sevilla, 13 of Juigalpa was allegedly murdered by State Security agents. [No date].

Iran Cabezas Flores—sentenced to 30 years in prison. Allegedly singled out because his father was a lieutenant in the National Guard and his brothers flew in the Somoza Air Force. He is now at the Carcel Modelo.

### "WRITE YOUR CONGRESSMAN" INC.

### HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. DARDEN. Mr. Speaker, the effectiveness of the House of Representatives and the Senate in reflecting the views and interest of our constituents depends on regular contact—both in person and in writing—between those constituents and Members of Congress.

Encouraging that vital communication is the purpose of National "Write Your Congressman" Inc. This organization, founded almost 30 years ago and based in Dallas, TX, is devoted to fostering regular, effective correspondence between the American people and their elected representatives in Washington.

National "Write Your Congressman" Inc. is not a lobby. It does not promote any particular point of view on any national issue. It does encourage individuals holding all points of view on those issues to convey wishes and opinions to Congress.

The organization provides its members with a monthly Opinion Ballot covering several major issues, and includes a preaddressed envelope to make it easier to send the completed ballot on to us. In recent months, that ballot has covered such important topics as trade, welfare reform, the minimum wage, and the Gramm-Rudman-Hollings balanced budget law.

National "Write Your Congressman" also keeps its members posted about our actions on these issues. Here again, the approach is unbiased, with each members vote listed as simply "Yea," "Nay" or "Did Not Vote."

Mr. Speaker, I invite my colleagues to join me in congratulating Mr. David N. Adamson, the president and founder of National "Write Your Congressman," for his efforts to keep Americans in touch with their elected representatives in Washington. And, I urge each Member of Congress to carefully review the correspondence they receive through the efforts of this fine organization.

### STATEMENT OF CONGRESSMAN LES AU COIN

### HON. LES AU COIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. AU COIN. Mr. Speaker, today I am introducing two bills to reestablish a reservation for the Confederated Tribes of the Grand Ronde Community located in Yamhill County, OR. Oregon's senior Senator, MARK HAT-

FIELD, is introducing identical bills in the other body.

These bills represent two alternative ways to establish a needed reservation for the Grand Ronde. They are intended to frame the debate over the specific elements of a tribal reservation. I will hold a public meeting on these bills, to hear the views of the people I represent, in Grand Ronde on August 10.

The Grand Ronde tribe has a long history in western Oregon. It is a tribe which has maintained a core membership and has retained its identity in spite of efforts—some well-intentioned, some not—to abolish many Indian tribes. The 1954 Termination Act ended Federal recognition of the Grand Ronde tribe and was the last blow in the liquidation of the tribe's reservation. Realizing the mistake made by passing the 1954 Termination Act, Congress in 1983 restored Federal recognition of the Grand Ronde tribe.

At the same time, the non-Indian population in this area of Yamhill County have a long history of attachment to the land, supporting families and communities on farming, forestry, and other resource-based work. The land is important to all who have settled in this area.

It is my intention that a reservation in this area accomplish two goals: first, that it provide the Grand Ronde tribe with a resource that it can manage, producing income for tribal purposes and promoting self-sufficiency; and, second, that it make a positive contribution to the economy of the greater Sheridan-Willamina area. Everyone who lives in the area should and must benefit from what Congress does.

I believe those two goals can be reached by creating a carefully and responsibly conceived reservation. At the same time, I want the benefit of public comment on this issue to help me decide the specific components of the reservation. Thus, I have introduced two bills which I believe set reasonable points on a spectrum.

The first bill is similar to the proposal developed by the Grand Ronde tribe in November 1985. One major difference is that, in ensuring that there is an equal-value redesignation of BLM Public Domain Land to O&C Grant Land status to compensate for the change of land now classified as O&C lands into the reservation lands, 1,823 acres have been deleted from the tribe's proposal. Thus, the reservation envisioned in this bill would now consist of 15,665 acres. A total of 23,293 acres would be redesignated as O&C to keep the counties whole.

The second bill would create a reservation of approximately 5,116 acres from O&C lands, with an equal value redesignation again mandated, in this case 5,631 acres, to keep the O&C counties whole. This proposal is not as small as, but closer to the range of acreage that has been suggested to me by public officials and private citizens in the area who are skeptical of the merits of the tribe's much larger proposal.

Both bills make it clear that no new hunting, fishing, or trapping rights are conferred on the tribe or its members due to creation of a reservation. And, both bills confer traditional civil and criminal jurisdiction for activities on the reservation.

Since the areas under consideration for the reservation are heavily timbered, a number of concerns have been raised about the future use of this land. This is extremely important to my second essential goal for this legislation; namely, that it must generate additional economic opportunities without jeopardizing those already-productive sectors of the local economy.

Since the purpose of creating a timber-based reservation is for the tribe to manage the resource and generate revenues from timber sales, I think it clear that creating a reservation will result in an influx of new money into the local economy. It is important to remember that only 50 percent of the receipts from O&C timber sales are returned to the counties, and less than 5 percent of the receipts from timber sales on BLM Public Domain lands are returned to the area. No such receipt-sharing exists with Indian timber sales. Since the tribe intends to use these revenues for economic development, educational, and social projects in the three-county area, the economic boost from this proposal to the local economy should be substantial.

On the other hand, there is a lot of local concern over the potential loss of raw material—logs—for wood products manufacturers in the area. I have that concern, too. This is one of the most productive, competitive areas for the wood products industry in the Nation.

The tribe has made some efforts to accommodate those concerns in the event that a reservation bill is enacted, and those first steps are encouraging. I hope that my field hearings will help clarify these concerns and I believe can result in satisfactory answers to them.

Mr. Speaker, creating this reservation can be a constructive process that benefits the whole community, not just that segment represented by the tribe. The strength, interest, and civic pride of the area were abundantly evident to me as Senator HATFIELD and I worked with the leaders and people of the local Sheridan and Willamina communities on the new Federal prison which is being built in Sheridan. I look forward to continuing to work with the good people of Sheridan, Willamina, Grand Ronde, and other communities in the area to help another part of the community, the Grand Ronde, in a way that is in everyone's interest.

**AFGHAN SOVIET "DEFECTOR PIPELINE" RESOLUTION—  
HOUSE CONCURRENT RESOLUTION 169**

**HON. DON RITTER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. RITTER. Mr. Speaker, I am pleased to announce the introduction of House Concurrent Resolution 169, expressing the sense of the Congress, that the President of the United States should establish a defector pipeline through which Soviet Red Army soldiers could gain freedom in the West.

This resolution asks the President to establish a system to bring Soviet POW's in Af-

ghanistan to the United States, grant them political asylum, help them to make the transition to American life, and broadcast to the Soviet Union—particularly those areas near Afghanistan—and to Afghanistan details of this program and general information regarding Soviet activities in Afghanistan. The idea is to communicate directly with Soviet troops to encourage defection.

While the desirability of establishing such a policy is intuitively evident, I would like to discuss the rationale for such an effort.

The immensity of the Afghan people's suffering caused by the Soviet Union's invasion is beyond measure. Nearly 1 million Afghans have been brutally killed by Soviet bombs, napalm, chemical weapons, artillery, and other means of modern warfare, and another 5 million Afghans have fled the country. MI-24 Hind D helicopters the so-called flying tanks have been raining death for years on the Afghan population.

But the Afghan conflict has also been tragic for many people in the Soviet Union—soldiers who engage in a far-away and unjust war and families whose sons die in a war in which they don't believe. And, the Afghan conflict has created the hopeless situation of the Soviet POW's.

Ludmilla Thorne, a staff member of Freedom House in New York, has interviewed two dozen Soviet POW's on the Afghan-Pakistani border and inside Afghanistan. Most of the soldiers were deserters, and some were captured, but practically all of them asked for political asylum in the United States. So far, the United States has brought only six Soviet Army deserters to this country, while in 1985 alone, 22 others were killed during desperate attempts to escape or to gain asylum. That is not a very good record.

Freedom House has the names and biographical information on a dozen Soviet POW's who are still inside Afghanistan who have asked for asylum. It has been estimated by Soviet defectors, that there are approximately 250 Soviet POW's currently being held by the Mujahedeen.

Besides humanitarian considerations, there are important political reasons why we should give political asylum to those Soviet soldiers who have asked for it. It is our moral obligation to help these young men. Among the defectors are Soviet citizens of various nationalities, including Russian, Ukrainian, Uzbek, and others, and all of them deserve our support. Once a Soviet soldier in Afghanistan has taken the crucial step of defecting, we should work to see that every obstacle that seeks to thwart his attempt for freedom is removed. We cannot expect the Afghan resistance, which is involved in its own life and death struggle, to carry the burden of holding Soviet POW's for long periods. For those who go hungry, it is difficult to share their last meager rations with their Soviet captives.

The following is a quote from a letter written from Afghanistan to President Reagan by Mr. Busov, a former Red Army deserter who was brought to Canada last November. It aptly describes the situation of many other Soviet prisoners who are still in Afghanistan:

We have spent many sleepless, anxious nights together with the mujahedeen . . . we have shared the last crumbs of bread

and the last drops of water. . . . Is it possible that after all of this, my friends and I are destined to live a life of anguish and suffering, without freedom? Can it be, that this is all we deserve?

A systematic method for screening, processing, and transporting Red army deserters out of Afghanistan could be devised, similar to the program that was set up by the allies for Soviet Army defectors and prisoners at the end of World War II. There will be numerous obstacles to creating such a program, but none of these are insurmountable, and the humanitarian and political advantages for our country and the free world will be of great importance. An underground railroad worked during our own Civil War, it can work now.

If \$1 billion in United States funds have been spent and some 100,000 Soviet soldiers have been killed in the Soviet invasion and subsequent occupation of Afghanistan, then each Soviet casualty is costing \$100,000. Why don't we spend far less to gain more. The program recommended in this legislation would be far less costly, far more compassionate and far more clever. It convinces rather than condemns.

Many journalists who have been to Afghanistan have described to the West, the brutality that is visited upon the Afghan people by Soviet occupation forces, and numerous Mujahedeen leaders have condemned what is happening in their country, but what could be more devastating than a condemnation of the Kremlin's actions in Afghanistan by its own Soviet soldiers? We should bring more of these soldiers to the West to tell their stories.

The stories these defectors have to tell are compelling. Having hundreds of these stories told in the United States and Europe would have a significant international impact. The Soviets don't take kindly to such publicity, especially now as they seek to change their image in the United States and elsewhere. Having their own native sons discussing Soviet atrocities against civilian populations, documenting mass-scale genocidal actions, could add a great deal to the mounting pressure already brought on by the success of the resistance and the existing international outrage. This mounting political pressure is essential to encourage the Soviets to pull out of Afghanistan.

There needs to be a support system set up for those Soviet Army defectors who arrive in this country. These Soviet young men are 19 to 20 years old, they know that they cannot return to their country, but adjusting in this one is not easy. They do not speak English, they have no professions, and they have no families on whom to rely for advice and support. They must overcome all of these difficulties and adapt to a completely different culture, at the same time that Soviet agents approach them in various devious ways and urge them to return home, with the promise that nothing will happen to them. We need a proactive, compassionate effort to assist them in making the difficult adjustments.

One such soldier, Nikolay Ryzhkov, did return to the U.S.S.R. after being repeatedly urged to do so by Soviet KGB agents in New York and is now serving a 13-year strict regime prison camp sentence in Mordovia. But if a special bit of care is offered these young

men, they can make it. Five others in Canada are doing well.

I have sought to encourage the administration to establish a Defector Pipeline Program for years and, without success. My efforts, along with the efforts many other Members of Congress and the general public to establish this new program have not yet brought the appropriate response from policymakers.

It is my hope that the bipartisan support for this legislation—which is demonstrated by the cosponsorship of Representative BARNEY FRANK, Representative ROBERT LAGOMARSINO and Representative CHARLES WILSON—will grow and that other Members will see this resolution as an opportunity to help these young soldiers and go on record as supporting the Mujahedeen resistance forces' attempt to expel the Soviet occupation army.

The following is the text of H. Con. Res. 169:

**AFGHAN SOVIET "DEFECTOR PIPELINE" RESOLUTION—HOUSE CONCURRENT RESOLUTION 169**

To express the sense of the Congress concerning Soviet prisoners of war in Afghanistan.

Whereas for more than 7 years the armed forces of the Soviet Union have illegally occupied the formerly independent nation of Afghanistan;

Whereas on numerous occasions the United States has expressed support for the struggle of the Afghan people and the Afghan freedom fighters against the Soviet occupation troops;

Whereas of an estimated 115,000 soldiers comprising the occupation troops, several hundred are believed to be held captive by Afghan resistance forces;

Whereas the Soviet Government does not admit the presence in Afghanistan of Soviet prisoners of war (POWs), therefore, a Soviet POW is subject to imprisonment for up to 15 years for treason;

Whereas at the close of the Second World War many Red Army defectors and Soviet prisoners of war fleeing Stalin's tyranny were forcibly repatriated to the Soviet Union and subsequently sentenced to imprisonment and death for alleged collaboration with the enemy;

Whereas at least several dozen Soviet POWs have indicated a desire to leave Afghanistan and resettle in the West; and

Whereas leaders of the Afghan resistance have indicated a willingness to release Soviet POWs to the custody of responsible representatives of the free world: Now therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that—*

(1) the President should direct the appropriate agencies of the United States Government to establish, insofar as logistically feasible, a systematic method for encouraging, screening, and processing Soviet defectors and prisoners of war in Afghanistan, and that such persons should be provided with proper information concerning the Geneva Conventions and United States law regarding political asylum;

(2) Soviet defectors and prisoners of war in Afghanistan who request political asylum and are eligible under United States law should be granted political asylum and be transported to the United States by the proper agencies of the United States Government;

(3) the President should seek to establish a framework, utilizing governmental and private resources, under which Soviet defectors would be helped in adapting to American life, which would include the opportunity to receive counseling, learn English, gain an education, and acquire the necessary skills to obtain gainful employment; and

(4) the President should direct the appropriate agencies of the United States Government to broadcast into the Soviet Union and Afghanistan such information as may be necessary to inform Soviet troops and the Soviet people of the facts about their government's actions in Afghanistan, the impact of such actions on the Afghan people, and the provisions of this resolution.

**THE FRIENDLY AND NOISY SKIES**

**HON. JAMES J. FLORIO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. FLORIO. Mr. Speaker, recently our Nation has become aware of a problem afflicting hundreds of communities from coast to coast. The problem is airport noise.

In assessing noise pollution levels, airports are assigned ratings based on a year-long study. If during that year, the rating is excessive, then the airport has a noise problem.

That noise problem for the airport translates into a noise problem for the community that has to bear the brunt of aircraft roaring into and out of the runways.

Yet there are methods which have been proven effective in blunting the brunt of airport noise. Among those methods are a rerouting of traffic over severely affected neighborhoods, soundproofing for the homes in the flight path of airplanes, and changes in the operating hours of the airport or the aircraft.

What makes it possible for the airport authorities to undertake both the studies and the remedial approach to solving the noise problem in surrounding neighborhoods is the availability of Federal funding.

Since 1979, with my help, Congress directed the Federal Government to take an active interest in reducing the problem of airport noise.

Recently, the noise problem has been exacerbated by attempts to reduce another problem in the air traffic industry, flight delays and safety.

In northern and central New Jersey, the Federal Aviation Administration put into effect its Expanded East Coast Plan in February of this year. Among the components of that plan was a rerouting of traffic over neighborhoods that had previously been immune to the roar of aircraft overhead.

Those neighborhoods are immune no longer. Across the country, at least five million individuals wake up in the morning noise of the flight path of planes. During the day, they must learn to ignore the disturbing rattle of the unpleasant passage of aircraft.

Our colleague from California, NORMAN MINETA, has introduced legislation in the Airport and Airway Improvement Amendments of 1987 requiring that airports undertake noise monitoring studies or face losing 10 percent of

their Federal funding, which would then be redirected to the community itself for noise abatement projects.

I recently asked several airports in New Jersey, Pennsylvania, and New York to participate in noise level monitoring.

The key to restoring some peace and quiet to our neighborhoods is in asking airports to address the problem face-on. About 100 airports have already participated in the available programs since 1979.

Many others have yet to address the issue.

If our communities are to cope with the airports in their midst, the noise levels should be compatible with the neighborhoods.

I am including below an article from the Daily Journal in New Jersey in the hope that we can move forward in addressing the problem of airport noise:

[From the Daily Journal, July 7, 1987]

**UPROAR OVER JETS' NOISE**

(By Heidi Dratt)

KEARNY.—The Port Authority of New York and New Jersey should conduct a study of the region's airports in an attempt to cut down on jet noise plaguing area residents, a congressman said yesterday.

Rep. James J. Florio, D-N.J., called on the bi-state agency to volunteer itself to conduct the study at Newark International and LaGuardia airports and "determine the most efficient way to minimize what has become not only a disturbing problem," but a "potential health hazard," Florio said.

He made the proposal in a letter he co-authored with Rep. Frank Guarini, D-N.J., and sent to Stephen Berger, executive director of the bi-state agency.

Florio, widely considered a 1988 Democratic gubernatorial candidate, was flanked by local officials, including Sen. Thomas Cowan, D-Hudson, Kearny Mayor Henry Hill and Hudson County Freeholder Angelo Citelli, a Democrat from Harrison, at the press conference held yesterday under open skies at Gunnell Oval, a ballpark, on Schuyler Avenue in the Hudson County community. The interruption of jets rumbling overhead punctuated the meeting.

Despite the existence of the federal funding program, only 100 airports have conducted a "Part 150 study" nationwide, said Florio.

"Unfortunately, the Port Authority has not availed itself of this federal funding and has not conducted the Part 150 study," he said.

In 1979, Congress authorized a Noise Compatibility Program which permits airports to obtain the funding. The study, which may take up to 18 months to complete, would be used to devise a noise abatement program. Participating airports would be eligible for up to 60 percent of federal funds to implement noise reducers.

The Port Authority has not conducted a formal study, but in the past five years has devised a comprehensive noise abatement program, which has won the approval of the Federal Aviation Administration to receive federal funding, said Janice Muldoon, general manager of aviation technology and service for the agency.

The agency was able to convince the administration that its study was similar enough to the prescribed Part 150 study, that federal funds have been secured to soundproof eight schools, four in Elizabeth and four in Newark, Muldoon said.

Much of the jet noise disturbance, which has prompted strong citizen protest, stems from the expanded East Coast Plan, a program put into place in mid-February by the Federal Aviation Administration, which has rerouted traffic onto four new routes over North and Central Jersey.

The plan has cut down on traffic delays at Newark International Airport, but has created a noise problem that residents describe as unbearable.

A Cranford resident, Katherine Cowperthwaite, who said she has logged planes flying overhead at a rate of one every 30 seconds, called this noise "bloody Thursday, Saturday or Sunday."

In a meeting last month, legislators, federal officials, residents and members of the aviation community formed three subcommittees to zero in on the problem, said Angel Garcia, co-chairman of People Against Newark Noise, a citizens' group.

Garcia will chair the Noise Measurement Subcommittee. The others include studying new routes and frequency of flights and a legislative subcommittee, he said. The effort had been launched by Assemblywoman Maureen Ogden, R-Union, he said.

A spokesman for the Federal Aviation Administration said the Part 150 study would not be an effective way to combat noise in the outer areas of the state.

"The Part 150 study examines the present usage of the airport operations in its immediate area, and within a few miles of its location," said Kathleen Bergen, a spokesman for the agency.

**MRS. MARY JANE KIRK: 103 YEARS OLD**

**HON. MIKE ESPY**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. ESPY. Mr. Speaker, I am honored to share this brief statement with my friends and colleagues in Congress. On February 18, 1987, Mrs. Mary Jane Kirk celebrated her 103d birthday, and celebrated with the blessing of good health.

Born Mary Jane Mewel in 1884 in Crystal Springs, MI, at age 26 she married Mr. Marshall Kirk in 1910. Mrs. Kirk is the mother of 5, a grandmother to 28, and a great grandmother to 55 children.

Mrs. Kirk moved to Yazoo County, MI, in 1930. She has been a friend to many and a mother figure to all of the community. As a member of the Baptist church, Mrs. Kirk has served as a lay leader and admired Christian model.

Mr. Speaker, I hope we all have the opportunity to know and learn from the life and history of people like Mrs. Mary Jane Kirk. We should all pray for such a blessing of longevity.

**DR. JAN D. DOZIER**

**HON. RONNIE G. FLIPPO**

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. FLIPPO. Mr. Speaker, in June of this year NASA announced the selection of Dr.

Jan D. Dozier as a candidate for America's astronaut corps. Jan is a resident of Huntsville, AL, and the first Marshall Space Flight Center employee to be selected for the astronaut program.

I want to extend to Jan and her parents, Bryce and Dolly Davis of Huntsville, my hearty congratulations and best wishes on being selected for this high honor. I know that her fellow employees at Marshall and the citizens of Huntsville are very proud of this achievement.

On August 7, Dr. Dozier will be honored by her hometown as they celebrate "Dr. Jan D. Dozier Day." She will also be the honoree at a banquet hosted by the National Space Club in Huntsville.

Jan Dozier joined NASA in 1979 and has worked on several projects managed by the Marshall Center including the Hubble Space Telescope, the Advanced X-Ray Astrophysics Facility, and the shuttle solid rocket booster program.

Jan is a graduate of Huntsville High School. She received her B.S. degree in biomechanics from Georgia Tech, a B.M.E. from Auburn, a M.S.E. and a Ph.D. in mechanical engineering from the University of Alabama in Huntsville.

It is interesting to note that as an astronaut Jan may have the opportunity to fly a mission involving the Hubble Space Telescope, a project that she is intimately familiar with. She received the Marshall Center's Special Service Award for her outstanding work on the space telescope project.

For a young woman who was born in the space town of Cocoa Beach, FL, grew up in the space town of Huntsville, AL, and has already made significant contributions to our Nation's space program, to be selected as an astronaut candidate must be the ultimate in personal and career satisfaction.

I look forward to the day when the television picture from space shows Dr. Jan Dozier working diligently in the bay of the space shuttle as thousands of her friends and neighbors in north Alabama cheer our fellow Alabamian on.

It is every child's dream to be able to reach out and touch the stars. Jan Dozier's career must be one of the best examples for any child to follow if they want to make that dream a reality.

**LUPUS AWARENESS WEEK**

**HON. NANCY L. JOHNSON**

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I am proud to introduce legislation which would designate October 1987, as Lupus Awareness Month. On behalf of the bill's 223 cosponsors and the Lupus Foundation of America, I am introducing this bill to renew efforts to increase the public's knowledge of lupus and the medical community's resolve to eradicate it.

Lupus erythematosus was first described by Hippocrates around 400 B.C. There are approximately 500,000 people suffering from lupus in the United States, with Ferdinand

Marcos and Flannery O'Connor among its more famous victims. Lupus is more prevalent than better-known diseases like leukemia and multiple sclerosis, yet many Americans are unfamiliar with the disease. Lupus Awareness Month will help us turn our attention to this disease, as well.

The manifestations of lupus are horrible. It has been known as the great imitator because it can afflict any part of the body. Its symptoms can be frighteningly similar to the diseases I have just mentioned, as well as kidney disease, epilepsy, cancer, or psychosis.

The side effects from medications used to treat lupus can be devastating. Paradoxically, the most effective medications in treating lupus carry the worst side effects. An antimalarial drug used to treat the skin rash caused by lupus may cause blindness over time. Steroids, used to reduce inflammation and joint pain, may cause permanent damage to the bones and the joints. No less devastating psychologically to its victims—9 out of 10 whom are young women—steroids can be physically disfiguring, causing patients to gain weight sharply, even as much as 100 pounds.

Advances are being made in the treatment of lupus, but slowly. Because of better techniques for diagnosis, evaluation, and management of patients and medications, the life expectancy for the lupus victims today is 10 years or more, whereas 20 years ago, lupus victims could expect to live only 3. But lupus is still fatal to 5,000 of its victims every year, and there is still no cure.

For lupus patients and their families, this is an important piece of legislation. It says that the Congress is aware of their suffering and that the Nation is united in their behalf. Designating October as Lupus Awareness Month will provide them with hope for the future.

The Senate has already approved an identical measure designating October as Lupus Awareness Month. I look forward to this bill's swift passage in the House of Representatives, and especially to the day when, like polio and smallpox, lupus will remain well-known, but only in our history books.

**CAN ANYONE IN WASHINGTON KEEP A SECRET?**

**HON. CLARENCE E. MILLER**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. MILLER of Ohio. Mr. Speaker, there has been much in the news lately concerning the difficulty of keeping sensitive information confidential on Capitol Hill. Yesterday's revelation makes one wonder if anyone in this town can keep a secret. Yesterday's story on page one of the Washington Post that the former Vice-Chairman of the Senate's Select Committee on Intelligence shared a confidential report on the Iran/Contra investigation with an NBC reporter points up the extent of this problem.

If you can't trust Members of the Congress' Intelligence Committees, the committees charged with the responsibility of overseeing our country's most sensitive secrets, who can you trust?

Is it any wonder that our country's foreign policy initiatives are constantly being compromised?

## CONSTRUCTION DIFFERENTIAL SUBSIDY REPAYMENT

**HON. RALPH REGULA**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. REGULA. Mr. Speaker, some questions have arisen concerning the effect section 505 of Public Law 100-71, the Supplemental Appropriations Act of 1987, would have on a Maritime Administration [MarAd] final rule promulgated June 22, 1987, entitled "Construction Differential Subsidy Repayment" final rule. The Supplemental Appropriations Act was signed by the President on July 10, 1987.

As a member of the House Appropriations Committee, I had occasion to closely study section 505 and discuss it with my colleagues in subcommittee, full committee, and during the course of the House-Senate conference. I vote against inclusion of section 505 when it was brought before my committee as part of the fiscal year 1987 supplemental.

As a member of the House-Senate conference, I believe that the deliberations and actions of the conference committee indicate that section 505 was intended to be prospective in nature. The conference committee considered section 505 during the week of June 22, 1987, after the effective date of the rule. Those conferees who opposed the rule, realizing that passage of section 505 after promulgation of the final rule, would be closing the barn after the horse got out, could have altered that section so as to specifically abrogate the final rule. They made no formal attempt to do so, although it is my understanding that they discussed the prospective nature of section 505 and had even readied and amendment to section 505 which would have explicitly overturned the final rule.

It is significant to note that no report language was added to the bill to the effect that section 505 had the effect of retroactively nullifying the final rule issued by MarAd. It is also significant that the conferees did not have any discussion regarding possible retroactivity of section 505 during the conference committee deliberations. It was my intent based on conversations with staff and other members of the House-Senate conference that section 505 would be prospective in nature and would not in any way effect the legal viability of the final rule.

The President clearly believes this to be the case. To quote from his statement issued July 11, 1987, on signing Public Law 100-71 into law:

Section 505 of this bill contains a restriction on the use of funds that is designed to prevent the Secretary of Transportation and the Maritime Administration from adopting rules on the subject of Construction Differential Subsidy (CDS) repayment. I have signed this bill into law based on the understanding that because this restriction on their authority is not retroactive, it will have no effect on vessel owners who previously repaid their subsidies pursuant to a

## EXTENSIONS OF REMARKS

CDS repayment rule published in the Federal Register on June 22, 1987. Instead, this provision of section 505 will affect only further repayments by vessel owners. Were it otherwise, a restriction on rule-making in this area could cost the taxpayers more than \$100 million in payment to vessel owners who have previously repaid their subsidies.

Clearly, the rule was fully implemented upon its publication on June 22, 1987. No further expenditure of funds was needed or made on the rule after that time. Section 505 could not, and does not, affect the June 22 rule, except to the extent that it purports to prevent DOT from defending the rule in court. This latter issue presents a serious separation of powers issues, and I doubt that it would withstand constitutional scrutiny.

## METHAMPHETAMINE CAPITAL OF THE UNITED STATES

**HON. JIM BATES**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. BATES. Mr. Speaker, I would like to call my colleagues' attention to the legislation I recently introduced. I am concerned with the illicit use and abuse of the drug methamphetamine and its threat to the health of our Nation. According to several drug enforcement agencies, methamphetamine or "meth" has become as great a threat, if not more of a threat, than cocaine or "crack." Though the drug is predominantly produced on the west coast, it is marketed nationwide. There is no doubt that strong Federal legislation is necessary to stem the tide of the illegal manufacturing of methamphetamine.

On November 11, 1986, the San Diego Union published an article stating that the Drug Enforcement Administration [DEA] considered San Diego the "methamphetamine capital of the United States." Almost 25 percent of all illegal laboratories seized between 1984 and 1986 were in San Diego. Approximately 50 percent of these labs were in California. I am certainly considering the reputation of the 44th District, but it is not just San Diego and the State of California at risk. The threat and effects of methamphetamine reach across America.

At the root of this problem are legitimate chemical companies who sell the precursor chemicals necessary for the production of methamphetamine. Illegal drug producers buy the precursor chemicals, crossing State lines if necessary, produce July 29, methamphetamine and then market the drug nationally. By federally regulating the sale of these chemicals for legitimate use, illicit drug producers would be shutdown or at the very least, severely impeded.

The bill amends the Controlled Substances Act by imposing regulations on the sale of certain precursor chemicals commonly used for producing methamphetamine. It would require chemical companies to report the sale of ephedrine, pseudoephedrine, norpseudoephedrine, phenylpropanolamine, ether, and hydriodic acid. Certain combinations of chemicals intended for the production of "meth" are also

*July 30, 1987*

included in this bill. This amendment would not interfere with lawful transactions of the drug manufacturing industry or medical research facilities. The penalty for violation of this law is a 10-year prison term without the possibility of parole.

The amendment will not end the production and use of methamphetamine, but it will certainly give the drug enforcement agency and other related agencies a great advantage over illicit drug producers. I urge my colleagues to join me in the war drug abuse and support me on this piece of legislation.

## A SALUTE TO POLICE CHIEF MAURICE T. TURNER, JR.

**HON. WALTER E. FAUNTROY**

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. FAUNTROY. Mr. Speaker, I am privileged today to bring to the attention of my colleagues that on Friday July 31, 1987, the D.C. Metropolitan Police Department will honor Chief Maurice T. Turner, Jr., for 30 years of distinguished service.

Chief Turner is indeed deserving of this appreciation celebration and I join with the D.C. Metropolitan Police Department and fellow citizens of the Nation's Capital in recognizing this native Washingtonian, who has made the safety and security of his fellow citizens his No. 1 concern throughout his service with the metropolitan police department.

I would like to outline for my colleagues the career path that has led Police Chief Turner to his current position. He is a graduate of the FBI National Academy (83d session), and studied law enforcement and the administration of justice at the American University and the University of Maryland. Police Chief Turner served his country in the U.S. Marine Corps from 1954 to 1957.

In 1957, Maurice Turner was appointed as a police officer with the metropolitan police department. He was granted his first promotion in 1965, and was assigned as a supervisory sergeant in the fifth precinct on Capitol Hill. In 1969, he was made a lieutenant and in 1970, then Lieutenant Turner was transferred to the special operations division. This division is a unit which handles Presidential security details, riots and crowd control, demonstrations and protest marches.

His promotion to captain in 1971, took Mr. Turner to the fifth district, where his leadership was rewarded with a promotion to inspector in 1974, and in 1976, he rose to the rank of deputy chief and was transferred to command the youth division. In 1978, then Captain Turner was named to head the administrative services bureau as the assistant chief. He was later transferred to the field operations bureau to command and direct all of the department's field units. On July 1, 1981, Maurice T. Turner, Jr., was appointed as the 24th chief of police to the Metropolitan Police Department of Washington, DC.

This is supportive testimony to the wide ranging training and experience in the unique police work required by the metropolitan police department in the Nation's Capitol.

Chief Turner's creativity in effecting law enforcement innovations that have brought the message of law, justice and order to everyone in the community has made him a lawman who serves as a model for all big city police forces. His word is respected by his officers and others in the criminal justice system.

As the police chief, Maurice Turner is required by the duties of his office to coordinate national and metropolitan task forces involving Federal, State and local enforcement agencies dealing with major problems of drugs, prostitution, international piracy of commercial products, and many other such task forces. A major metropolitan area concern has been the structuring of the metropolitan emergency system. Chief Turner's leadership in developing and executing this vital metropolitan function continues to strengthen that operation.

Police Chief Maurice T. Turner, Jr., is one who exemplifies the best in a public servant, and I know that my colleagues join me in commending him for 30 years of outstanding service and in wishing him continued success in his future years of service to the District of Columbia, and the Nation's Capital.

## INTRODUCTION OF PCB LEGISLATION

### HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. SYNAR. Mr. Speaker, today my colleagues Mr. CLINGER, Mr. SKELTON, Mr. WHEAT, and I have introduced legislation to provide long-overdue improvements in the regulation of polychlorinated biphenyls, commonly known as PCB's.

The manufacture of PCB's was banned by Congress in 1976. Since that time, EPA has set deadlines for removing certain PCB materials from the environment and established regulations governing PCB disposal.

In 1983, 1986, and again in April of this year, the Environment, Energy and Natural Resources Subcommittee, which I chair and which Mr. CLINGER serves as ranking minority member, has held investigative hearings to review PCB disposal activities. These hearings have focused on several instances where PCB materials have been mishandled, improperly disposed or simply unaccounted for. The hearings have also identified a number of serious shortcomings in the PCB disposal regulations.

Today's legislation will correct many of these shortcomings. It will:

First, require uniform manifests to track PCB materials from the owner to final disposal;

Second, require PCB brokers—the middlemen in disposal operations—to have EPA permits; and;

Third, require all PCB disposers and brokers to maintain adequate insurance to cover accidents and the costs of cleanup when facilities are closed.

I strongly believe that these changes will provide substantially increased assurances that the public is adequately protected from the health hazards of PCB's.

Why are we legislating on this issue? For two reasons. First, in 1984 EPA Administrator

Lee Thomas acknowledged deficiencies in the PCB regulations. He promised to take care of these problems administratively and urged against a legislative solution. Three years later, we are still waiting for EPA to act. Second, EPA's own estimates show that PCB disposal demand will peak over the next couple of years as deadlines are reached for removing from service and disposing of certain electrical equipment. We simply cannot wait another couple of years for EPA to get its act together.

Today, the gentleman from Pennsylvania [Mr. CLINGER] and I have also released a report by the General Accounting Office citing the need for improvements in EPA's PCB program. I will not detail the report's findings, but I do want to highlight one of GAO's recommendations: PCB brokers—intermediate operators—should be required to obtain an EPA permit. Obviously, this recommendation supports a critical feature of our legislation.

In the end, the law and the regulations are effective only to the extent to which they are enforced. Our subcommittee hearings and this GAO report have identified serious PCB enforcement deficiencies at EPA. We will continue to monitor EPA's progress in improving its enforcement record.

Meanwhile, I urge my colleagues to join in support of this legislation in order that we may immediately correct several critical PCB regulatory shortcomings.

## BICKEL, NOT DICKELL

### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. FRANK. Mr. Speaker, the reporters of debate who transcribe our words so they can be printed in the CONGRESSIONAL RECORD do a superb job. As one who occasionally talks too fast, and whose diction is not always pristine, I'm particularly appreciative of the scrupulous care they show in reporting what I occasionally say.

Unfortunately, because I do not always speak as clearly as I should, occasional errors creep in when even the most capable individuals try to take down everything I say. Ideally, I should edit those transcripts for this sort of inevitable occasional error, but I find when I reread what I have said, I become so self critical that my inclination is to change everything and I do not think I ought to be purporting to say in the CONGRESSIONAL RECORD things that are very different from what I did say. So I have found it to be best not to edit what I have said and rather to rely on the high degree of competence of the reporters. The occasional error that creeps in does not seem to me to be at all serious.

But there was one error that resulted from my uncertain diction in the transcription of the speech I gave during special orders on Monday. I referred several times to the late Alexander Bickel, former Professor at Yale, and a colleague of Judge Robert Bork. Because I nowhere spelled out that name in any documents I submitted, the reporter understandably misheard me and Professor Bickel

appears as Professor Dickell in the CONGRESSIONAL RECORD. There may well be a Professor Dickell somewhere in the world, but if there is, he is not the person to whom I was referring and I ask this be printed here to correct that error.

## TRIBUTE TO MS. SUSAN SMOLKO

### HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. GOODLING. Mr. Speaker, today I would like to pay tribute to a constituent of mine, Ms. Susan Smolko, who was one of the winners of the 1987 Public Service Scholarships given by the Public Employees Roundtable. I would like to share with my colleagues her essay on "How Public Service Affects the Quality of American Life."

The essay follows:

## HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE (By Susan Smolko)

The United States is amidst a year of celebration for the 200th birthday of its Constitution. The remarkable endurance and modern applicability of our nation's Supreme Law of the Land attest to the responsive nature and strength of the American system itself. Less celebrated, perhaps, are other facets of the American system which also contribute to its strength and modern vitality. Most notably, the field of public service participates daily in the system and succeeds in upgrading the quality of American life.

If the U.S. Constitution is thought of as the bare skeleton of the American system, public servants are like the millions of living cells functioning and replenishing themselves continuously to sustain the living national body. Individually, public servants can do little to affect the quality of American life. In sum, however, the public service sector is a major, positive force in virtually all areas of American life. Examples of the effects of public service can be seen at every level—national, state, and local. Military services protect and safeguard American liberties at the national level while police do at state and local levels. Indigent persons accused of a crime may enlist the aid of public defenders. Many basic services such as postal delivery and social services are provided. Also given are opportunities to utilize the services of elected representatives from state and national legislators to local township supervisors. The myriad facets of the field of public service deliver assistance and services and perform functions without which the national body could not survive.

Through my experiences in state and local government, I have seen directly how public service affects the quality of American life for the better. At the local level, our township supervisors and staff were continuously called upon to answer questions, to solve problems, and to listen to residents' concerns. We were involved daily in the provision of basic services such as zoning and licensing, refuse and sewer services, and police protection.

At the state level, the scope of public service broadens significantly to include health, legal, educational, social, financial, and

many other services. My internship in the Refugee Resettlement Program has shown me the extensive role of private social service agencies in states' implementation of their public service responsibilities. A notably unique point of this public service program is its focus on refugees and its attempt to upgrade their quality of life as persons newly-arrived in the United States and to help them attain social and economic self-sufficiency. Thus, public service truly does want to affect for the better the quality of American life for all our citizens as well as for all who reside here.

Public servants make the difference in America today. They are the living cells which quietly run the daily functions of our national body. As we celebrate the Constitution's 200th birthday, the extensive public service sector, too, deserves a celebration for its vital, enduring role in the American system. Our public servants are a living institution here to serve us and to protect, maintain, and improve the quality of American life.

### THE PRESIDENT'S STRUGGLE WITH FACTS

#### HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. SWIFT. Mr. Speaker, as we learned the other day by his reaction to our colleague BILL NELSON "telling the truth on him," the President does not like to have his statements called duplicitous or, to use his own words, "double talk." But then no one likes to get caught when they're fudging around the edges.

But Ronald Reagan distorts facts or simply makes them up all the time. And BILL NELSON is not the only one that is beginning to point that out.

Recently, in one of his Saturday radio broadcasts, the President was ragging on Congress—a favorite weekend pastime of his—when he said:

Did you know that your Congress wants to spend millions of dollars to purchase submerged lands—that's right, thanks to your representatives, the federal government could become the proud owner of 1,000 acres of underwater property.

It was certainly hard to know from the way the President worded it that he was talking about acquisition of tidelands connected with an existing national park. I think people could be forgiven if they got the impression that someone here was trying to sell the Government a few acres of swamp land.

Wallie Funk, editor of the Whidbey News-Times, a weekly newspaper serving an area affected by the proposal, set the record straight and in the process caught the President again. The editorial read:

#### INEXCUSABLE

President Ronald Reagan's offhand jab at efforts to purchase and preserve Keystone Spit and tidelands along Washington's coast was inappropriate and undeserved.

Reagan, in a radio address from Camp David, painted the current Congress as fools for purchasing "underwater property."

That reference is to tidelands the federal government will receive from the state in a

trade for Keystone Spit. The Congress recently approved the appropriation of funds to buy Keystone Spit and make the trade possible.

The acquisition of the tidelands by the federal government and the preservation of the spit for the state is a wonderful transaction.

Far from being the scam Reagan made it out to be, both acquisitions preserve for public use valuable natural resources.

We understand politics, and the usual rhetoric which accompanies the process. Politicians on both sides of the fence often collect more praise and lay more blame than is deserved.

But for Reagan to so mislead the public on this issue is inexcusable.

Within the operation of the federal government, and in the appropriations bill which contains the Keystone Spit money, are many debatable issues.

But rather than make a legitimate criticism, Reagan seized on an old joke and compared Congress to a sleazy real estate salesman selling submerged property in Florida.

In this case, the president sacrificed the facts to attain his political goals, and in the process misled many who look to him for reassurance and honesty.

Acquiring Keystone Spit is not folly. Allowing the federal government to take over management of the tidelands just makes good sense.

In the future the president should reserve his ridicule for real wastes in federal spending, not imagined ones.

It was a great Republican President who told the truth about fooling the people. You can't fool all the people all the time, he said. This President should think upon that observation and see if he can't make his points without fudging the truth.

### ABOVE THE BATTLE, DEMOCRACY GAINS

#### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. SOLOMON. Mr. Speaker, there is an article in U.S. News & World Report that should be read by any Members who may have missed it. Entitled "Above the Battle, Democracy Gains," this article reinforces what many of us have always said: that President Ronald Reagan is to be congratulated, not criticized, for his consistent work to protect and nurture democracy in the developing world.

Democracy is not something that can be installed overnight, like some Communist Party dictatorship. It depends above all on the presence of a large number of people who appreciate its benefits, who repudiate radical, quick-fix solutions, and who provide the stability democracy requires. In other words, it needs a strong middle class that has experienced the economic freedom that goes hand in hand with the introduction of free markets and respect for private property.

And who has consistently fought for economic liberalization and gradual democratization in the developing world? It hasn't been General Secretary Gorbachev; it hasn't been those leftwing economists who cling to the failures of communism; it's been President

Ronald Reagan. I recommend that my colleagues read this article. As it says, "Democracy is on a roll." And that's thanks to President Reagan.

#### ABOVE THE BATTLE DEMOCRACY GAINS

Across an otherwise bleak foreign-policy landscape, there is some good news for Ronald Reagan. Rising above the chill of terrorism, allied bickering, bloodletting in a score of countries and the Iran-Contra scandal at home, democracy is on a roll. South Korea, the Philippines, Argentina and Brazil are the most dramatic evidence. Haiti and Panama are now on the way. What Anthony Maingot of the Rand Corporation calls a "worldwide phenomenon" is putting more people than ever under democratic systems. Even some nonadmirers of the President give him a generous measure of credit.

It is far more than an American or Western-driven trend. Yet it reflects, directly or indirectly, Reagan's deep conviction that the free market and free political institutions go hand in hand. As the Japan Times has put it: "Liberal democracy constitutes the perfect complement to 'user friendly' capitalism."

#### DIFFERENT SYSTEMS, SAME GOALS

Which comes first, political or economic liberalization, is not always consistent. But more and more authoritarian governments are leaning toward democracy as they tinker with failed economies. Sometimes, too, rising political expectations follow economic progress. Limited political freedoms thus appear in nations as disparate as Communist China and capitalist Taiwan, the Soviet Union and its restless allies, and in remote corners of the Third World. "We are an American baby, a showcase for development," James Soong, a leader of Taiwan's dominant Kuomintang, declared long before his government announced last week an end to 38 years of martial law.

The transitions can be painful—and unexpected. South Korea's military leaders created the climate that forced them toward liberalization by building a literate middle class to fuel economic development, only to have the middle class join radical students in demanding political reform. The Korean military now is hardly driven by dewy-eyed idealism in its concessions to democratic forces. Indeed, the concessions that tantalize a disunited opposition offer President Chun Doo Hwan's followers far greater promise of unbroken power than does the mailed fist—without destroying the economy.

Many jubilant Koreans resent outside comparisons with events last year in the Philippines. But they seem unavoidable. There, Ferdinand Marcos's insatiable corruption, economic failure and impotence against insurgency fueled Corazon Aquino's "people power" revolution. Its future is still uncertain, but "the Philippines is now a full-fledged democracy," argues Richard Haass of Harvard's John F. Kennedy School of Government. "The issue is whether the economy and the security situation in the country can be improved so democracy can improve."

In South America, democracy's surge may be less volatile for the moment, but no less fragile. In Brazil, the military boasts that it walked away from power in the early '80s. In Argentina, the 1982 defeat by Britain in the Falklands War so disgraced the armed forces that civilian government became inevitable. Yet sheer administrative incompe-

tence, especially in running the economy, also contributed to change in both countries. Today, Brazilian and Argentine generals hover in the wings while their civilian successors grapple with the familiar problems. Any faltering—above all in restoring economic stability—could easily see the revival of military rule.

Democracy in Central America is more a direct, recent U.S. creation, except for the enduring example of Costa Rica. In El Salvador, the unsteady government of José Napoleón Duarte, fighting Communist revolution, depends on Washington for survival. Guatemala, facing ultimately the same threat, converted military dictatorship to uneasy democracy only under American pressure last year. There may be less idealism than strategic interest—overthrow of Marxist government in Nicaragua and the security of the Panama Canal—in administration policy in the region, but the effect is the same. Now, Panama is center stage as the country's middle class, applauded by Washington, rises against corrupt dictatorship. Orderly transition is critical: Of all countries in the area, Panama could most easily face direct American intervention if freedom of the canal is threatened.

American interests are not always that clearly defined, and at times the U.S. role in transitions is obscure. Pressure from the United States had no part in bringing down the Argentine military, for example. But when Argentine officers launched a brief barracks revolt last year, says Bruce McCollm of Freedom House, "the U.S. weighed in quickly but quietly to good effect."

Not always and not everywhere. Out of strategic interest, the U.S. has backed many unbending governments for years in the face of democratic pressures, as in South Korea and the Philippines. It switched to the other side when, as a State Department official puts it, "democratic ideals coincided with national interest." In some cases, it has leaped too late, as in Nicaragua and Iran in the late 1970s—though the alternative in Iran was unclear. "It's always easy to say we waited too long," says Haass of the Kennedy School. "But this country has to be sure the time is ripe. It makes no sense to unsettle an authoritarian regime without a democratic alternative." The fact is, a senior U.S. diplomat concerned with Latin America argues, "our influence is frequently overestimated. There is no way we can force democracy on Chile, for example. We can keep the pressure on, and we're doing that."

The U.S. might more readily have switched sides and forced change without penalty in Haiti, long before desperate Haitians finally had enough of "Baby Doc" Duvalier early last year. Yet even now, nearly 18 months later, the alternative is not certain. If there is a single lesson from those countries where the American impact is greatest, it is that hanging on to democracy can be as traumatic as achieving it.

But what of liberalization where the ability of the West to mold events appears least? In fact, its influence as a model often may be greater than it seems. Both China and the Soviet Union, for example, now experiment with freer expression and economic incentives on the road to modernization—acknowledging implicitly the failures of their Marxist systems. Neither is likely to credit the democracies, and both realize that the forces they unleash could be hard to control.

#### RUNNING AGAINST THE TIDE

Not all trends are toward liberalization. In Eastern Europe, some of Mikhail Gorbachev's satraps resist change. Cuba's Fidel Castro has become more oppressive. There have been setbacks in Kuwait, Nigeria and Tunisia. Pakistan's military regime—backed by the U.S. out of strategic interest—is unyielding. Prosperous Singapore, destitute Mexico and developing Kenya observe the mechanics of democracy, but in fact are ruled by authoritarian leaders or unyielding single parties. The threat of Islamic fundamentalism is at least partly responsible for the isolation of many Moslem countries from liberalization.

Nonetheless, the democratic surge is strong enough to send academics and diplomats in a search for its source. "If you're idealistic enough, you can say it comes from an inherent yearning for democracy," muses Helmut Sonnenfeldt of the Brookings Institution, once a senior aide to Henry Kissinger. He and most other analysts, however, look for more pragmatic reasons and generally find them in the linkage of political freedoms with economic progress. "Authoritarianism and totalitarianism have proved themselves bankrupt," Bruce McCollm of Freedom House says firmly. "People are turning to democracy as the way to deal with development issues."

Other democracies advertise their charms more discreetly than does the United States. But as the democratic superpower, Washington can take a bow for the successes as well as the brickbats for failures. It may be ironic that more progress has come on Ronald Reagan's watch than on that of Jimmy Carter, who made human rights a standard for his administration. But in reality, the distinction is not so great. The central message of American democracy is constant whichever party is in power.

Reagan is far from consigning Communism to the "ash heap of history," his declared goal in a 1982 paean to democracy in London. It may, however, be drifting in his direction. But when the debate over cause and effect becomes too speculative, a foreign-policy tactician such as Sonnenfeldt brings it quickly back to earth. "I don't know whether there's a single reason for the trend," he says. "But you're going to hear a lot about it in our political campaign, because the administration is going to claim credit for it." Democracy is, after all, a form of politics.

#### HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

##### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mrs. MORELLA. Mr. Speaker, those of us who have been in the Washington area and have an interest in Federal employees know well the work and enthusiasm of the Public Employees Roundtable, a nonprofit educational organization which represents 22 professional employee groups. This organization, for the past 6 years, has promoted and encouraged interest in civil service careers by informing the public of the caliber of Government employees and the valuable services they render, and by developing a pride among em-

ployees which in turn improves their performance and productivity.

One of the positive programs sponsored by the Public Employees Roundtable is a yearly public service scholarship for college students who compete by writing an essay on "How Public Service Affects the Quality of American Life." These essays are judged by an expert panel. I am proud to report that these judges selected Denise Douglas as one of their 8 winners out of a field of 95 participants.

Denise is studying Russian at the University of Virginia, with a goal of serving our Nation in the Foreign Service. She is a resident of Rockville, MD, which is the county seat of Montgomery County. In my Eighth Congressional District.

I am pleased to share her essay with you.

#### HOW PUBLIC SERVICE AFFECTS THE QUALITY OF AMERICAN LIFE

(By Denise Douglas)

Commercials come to mind when I think about "The American Way"—especially that upbeat, get-up-and-dance Miller Beer tune with which almost every sports fan can scream. I suppose most people could not exactly define the American Way; maybe a lot of images come to mind: yuppies celebrating a business success at happy hour, the Statue of Liberty, a family reunion on the Kansas farm that grandfather established, and a Vietnam immigrant graduating as the valedictorian at Harvard. I do not, however, think of a federal government employee proofreading a piece of correspondence for his/her signature, yet he/she, too, is a part of the American Way of life.

For ages, America has been the platonically stereotyped land of opportunity in which immigrants who came over with nothing could manipulate capitalism and become millionaires. Freedoms of all types allowed people of all classes to "move up the ladder" of success and wealth. Yet, workers in the federal government often cannot advance rapidly in a bureaucracy that sometimes denies their individualism. My brother works for the Department of Agriculture's research center and tells stories of brilliant scientists who make needed revolutionary discoveries that might earn them millions in the private sector where they could patent it themselves. Instead it becomes a public patent, with little recognition, if any, going to the employee. I have a friend who is a brilliant lawyer and wins million dollar lawsuits for his federal agency but still lives in a small house with roommates in a rather undesirable neighborhood. If people are willing to work diligently so that they can accomplish something, why do they choose the federal government when the rewards are almost unrewarding?

Then again, if no hardworking people chose the federal government, where would America be? It cannot be denied that America needs its civil servants, those that serve the public, not themselves. Because our government allows us so much freedom in choosing our style of life, we can encounter inequalities and deficiencies in our nation—problems that our federal agencies try to solve. My agency provides assistance in housing those who could not otherwise own or rent a safe, decent and sanitary home. Other agencies ensure the existence of valued ideals such as justice, and equal employment opportunity, or maintain necessary regulatory policies such as fair labor standards, and safe environmental protections. It is easy for Americans to complain

about "the Bureaucracy" that seems to hinder their lives or waste all their tax money, but what would they scream if one day NIH was no longer interested in AIDS research? A democracy should not be anarchy and in a country that covers the area America does, a strong, effective federal government is needed to protect its populace from injustice, to plan for the safe and healthy future of its citizens and to establish fair policies for revenue collection and expenditure. There are Offices of the Inspector General established in many of the agencies to monitor both internal and external activities that may deter their agencies' goals. I work for one of their OIGs, and I have typed memos regarding fraudulent schemes that steal millions of dollars of the taxpayers' money. (That is a waste of tax money worthy of complaints!) And I have heard an auditor yell with joy when one criminal was convicted—the joy of a job done well and justice restored.

Maybe that very same auditor could earn more in the private sector, just as my lawyer friend and those PhDs at Agriculture might. Yet, they stay with the federal government, helping America be the safe, free, powerful and just nation that it is. Why? Because, like volunteers in soup kitchens and political campaigns they believe in the American Way, a way that relies on capitalism, individualism and other American ideals, but also asks its believers to help fellow Americans enjoy the freedoms and rights that the 200 year old Constitution allows them. There "feds" believe in this way strongly enough to sacrifice some of the benefits available in the private sector in order to serve their country by housing the homeless, fighting disease, conquering injustice, ensuring quality education, and generally providing for the kind of life we enjoy. And that's how the American Way of life should be.

#### THE ARANDA FAMILY

#### HON. DAN LUNGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. LUNGREN. Mr. Speaker, on Monday, July 27 President Reagan welcomed the Aranda family of Torrance, CA, to the White House, and saluted them as one of America's "Six Great Families." It's an honor they richly deserve.

In a society seemingly besieged by familial turmoil, the Arandas have made the home the bastion of their personal and community lives. Eight years ago, Ben Aranda had a successful and lucrative private law practice. But he decided he needed more time with his family, so he accepted an appointment to the South Bay Municipal Court. Ben and his wife Emma now find time for family nights on Tuesdays and Fridays, and try to spend time with each of their 11 children every evening. Amazingly, Ben manages to prepare breakfast and lunch for nine of his children before he leaves for work each morning. In what remains of his free time, he works as a volunteer for the Blue Cross of California and chairs Save Our California Kids, an anti-drug and anti-violence organization.

Ben and Emma place a premium on love and individual attention in their home and their

children clearly reap benefits from that approach. The family follows two rules to maintain its close-knit character. First, they always have dinner together. Second, each person hugs the one going to bed and says, "God Bless You." Ben and Emma also ask their children to support and help each other. Their daughter Maria, for example, usually comes home from college each weekend and helps the younger children with school projects. Her siblings Ben, Ruth and Andrea also assist the younger children with reading, math, religion and social studies homework.

I can't discuss every child in the short amount of time I have, but I can note that several of the children are Presidential Fitness Winners, have excelled in team sports like soccer, and have been outstanding achievers in school. I would like to draw special attention to Carlos, Tania, Fred, and Eric, the Arandas' adopted children, all of whom have overcome obstacles to reach remarkable levels of achievement in school and in sports.

Mr. Speaker, we in this House often talk about leadership. We expect our President and the senior members of this body to seize the initiative and transform ideas into policy and then into law. Yet we often don't appreciate the importance of leadership in our local communities. In "Democracy in America," Alexis de Tocqueville pointed out that community activists form the backbone of this country. You can't have a government of the people, by the people, and for the people, if the people don't commit their time and talents to the daily operation of their democracy.

And that's the great thing about Ben and Emma Aranda. They not only inspire leadership on an individual basis, but they inspire it in a collective context in their family. When Ben teaches religion for the Confraternity of Christian Doctrine, his family helps with housecleaning, dinner, set up, and clean up. The family collects clothing for the needy for the St. Vincent DePaul Society four times per year, newspapers for St. James School and participates in numerous candy sales, subscription sales, Christmas tree ornament sales, and raffle ticket sales for their various athletic teams, PTA's and parochial schools. Each year the Aranda family sponsors a block party and Independence Day Parade in which over 100 of their neighbors participate. The entire family plans and organizes the event and then cleans up after it has ended.

Ben Aranda says that he has participated in the Great American Family and Hispanic Family of the Year programs in large part because of his commitment to adoption programs. "All of the kids we have adopted have been 'unadoptable.' No one else wanted them," he has observed. "They have all done so well and meant so much to us it shows there is no such thing as an 'unadoptable child.'" The Aranda family has twice received awards from the Los Angeles County Department of Adoptions.

Mr. Speaker, I'm proud that the Arandas are my constituents. Our society desperately needs more people fully committed to their families and their communities—Americans who recognize that the home functions as the foundation of our society, and that our country grows stronger in direct proportion to the sense of community in our neighborhoods.

When management guru Tom Peters writes his next sequel to "In Search of Excellence," he should start with Arandas.

#### DALLAS HOUSING AUTHORITY AND ITS EXPENDITURES ON PUBLIC RELATIONS

#### HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. BRYANT. Mr. Speaker, it has come to my attention that the Dallas Housing Authority has undertaken a campaign to improve its tarnished image by spending \$2,500 per month on public relations. This is an outrageous affront to the American taxpayers and the low income Dallas area residents in desperate need of decent housing.

Yesterday I introduced legislation to prevent such expenditures in the future. Wasting limited public housing funds or rent receipts on an expensive public relations campaign is unconscionable and downright wrong.

The Dallas Housing Authority justifiably has been criticized for being insensitive to the needs of the population it was created to serve. Its recent decision to demolish 2,600 much needed low-income housing units coupled with its announcement of a \$62 per hour contract to bolster its sagging reputation does not enhance its image—especially with the homeless or underhoused who would have preferred to see the units rehabilitated or the \$2,500 per month spent to shorten waiting lists.

I do not know if public housing agencies in other cities have engaged public relations firms to make them look good in the eyes of the taxpayers. If they have, they also should be criticized and prohibited from making such expenditures in the future. My goal is to ensure that all public funds for low income housing and all rent receipts be spent for the purpose intended by the Congress and the American taxpayers—to house the poor and homeless.

I would welcome the support of my colleagues and look forward to a broad discussion of this issue with them.

#### IN SUPPORT OF HELSINKI HUMAN RIGHTS DAY

#### HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. GARCIA. Mr. Speaker, I want to express my support for House Joint Resolution 282, "Helsinki Human Rights Day." Twelve years ago 30 countries, including the Soviet Union and the United States, signed the Helsinki accords which, among other things, guarantee the human rights of the signatories.

As chairman of the North Atlantic Assembly's Civilian Affairs Committee, I have had an opportunity to work with my fellow NATO parliamentarians on the problem of human rights abuses in Eastern Europe. In fact, the commit-

tee has a special subcommittee that deals with the accords. In addition, I was a member of a United States delegation that attended the Vienna review conference of the CSCE.

Through my work at the assembly and in Congress, I have come to appreciate just how important it is to keep a lifeline open to the people living in Eastern Europe and the Soviet Union. Although progress has been made in the area of human rights because of the accords, more needs to be done. Soviet Jewish immigration has fallen from 51,000 in 1979 to about 1,500. Thousands of individuals remain in Soviet prisons, not because of any criminal acts they may have committed, but because of their religious or political beliefs.

In Poland, millions of people risk their lives every day for rights that we in the United States take for granted. We must show these people that we are behind them. By passing this resolution we are doing precisely that.

I am hopeful that glasnost will lead to an improvement for the people in the Soviet Union and throughout Eastern Europe. I hope that because of this policy they will be able to worship freely and express themselves without fear of reprisal. This does not mean that we can give up our fight for human rights in the East. We can't. We must always let our families and friends in the Eastern Bloc nations know that we will not forget them, that we will not let them down.

The North Atlantic Assembly's Civilian Affairs Committee issues a quarterly publication known as the bulletin that gives a list of human rights abuses in the Soviet Union and Eastern Europe. The Bulletin serves as a stark reminder of how far we have to go before human rights are no longer a problem in the East.

If my colleagues are interested in receiving a copy of the Bulletin, I would be happy to put them in touch with the assembly's secretariat in Brussels.

Finally, I want to congratulate the chief sponsors of this resolution, most particularly my friend and colleague from Maryland, STENY HOYER, who has worked tirelessly on the issue of human rights. As chairman of the CSCE, he has done a great deal to keep this issue alive in Congress and the assembly. His fine work is reminiscent of another great CSCE chairman, DANTE FASCELL, the distinguished chairman of the Foreign Affairs Committee.

#### SUCCESSFUL PRIVATE SECTOR LITERACY INITIATIVE

#### HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Miss SCHNEIDER. Mr. Speaker, I want to commend to you and my colleagues an outstanding program which I am proud to say was born in my home State of Rhode Island. It is an effort that on the one hand engenders a contagious community spirit, engaging young and old to celebrate their common heritage. In a broader sense, it is a program that addresses one of the most fundamental challenges facing our entire Nation: improving lit-

eracy among all Americans. And in another respect, "it's a heckovalotta fun."

The program is "Leap Into Literature," a children's reading effort sponsored by one of Rhode Island's most longstanding, philanthropic business leaders, Old Stone Bank.

Old Stone conceived "Leap Into Literature" in 1985, aimed at sparking among children in kindergarten through sixth grade an interest in both Rhode Island history and in reading.

Working with the Library of Congress, State libraries, and a local theater group, the program has grown creatively and productively. It has commissioned a children's book, "Puritans, Pioneers and Pacesetters: Eight People Who Shaped Rhode Island." It has produced a radio series on historic Rhode Islanders. And it has adapted selected stories for dramatizations performed at libraries all over the State. In fact, over 200 performances have been staged in 50 libraries each year. The shows were attended by more than 17,000 children and parents.

All of these numbers add up to many hours of fun and enjoyment for thousands of Rhode Island children. But the more telling numbers, the more significant statistics, are those that show the significant increase in the lending of history books and the popularity of library programs. And, interestingly enough, over 85 percent of the donated copies of the specially commissioned Rhode Island history book were in circulation following the first performance in each library.

As an emblem of its achievement, "Leap Into Literature" has received many awards and recognitions. I want to extend those plaudits by recognizing here in the House of Representatives the program's many meaningful contributions. I am especially proud of this effort, not merely because it opens wider the door to Rhode Island history.

As cofounder and cochair of the Congressional Competitiveness Caucus, I recognize the precious value of literacy in our country today. In a State where a hard-toiling, blue collar work ethic moved generations of young people to forego academics to enter the work force before reaching their full potential, we are cognizant of the need to challenge today's youth to meet the critical and complex demands of the future. With programs like "Leap Into Literature" leading the way, we can accomplish that mission by instilling in our young people a fascination for learning, a curiosity for history, and a thirst for reading.

Mr. Speaker, I am pleased to convey an offer of free assistance by Old Stone Bank to any thrift institution in our country interested in starting a "Leap Into Literature" program in its own community. It is the bank's hope, and I share it, that this spirit for learning will spread through towns and cities all over our great country.

I ask you, Mr. Speaker, and other Members of this eloquent body, to join me and my constituents in saluting Old Stone Bank and "Leap Into Literature."

#### LEGISLATION TO EXTEND THE FILING PERIOD FOR RELIQUIDATION OF CERTAIN IMPORTS

#### HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. ARCHER. Mr. Speaker, today, I am introducing legislation to extend the filing period for the reliquidation of certain entries of semiconductors. The contents of my bill are contained in the recently passed Senate version of the 1987 trade legislation.

As part of the Trade and Tariff Act of 1984, Congress gave the President authority to proclaim mutually eliminated import tariffs on certain semiconductors as agreed to by Japan and the United States. However, one tariff item number which should have been included by the authority was omitted. In the 1986 Tax Act, Congress corrected the omission, making the correction retroactive to March 1, 1985—the date on which other semiconductors became duty-free under the original legislation. Importers were given 90 days to apply for the reliquidation of earlier entries and thereby receive a refund for duties paid.

It has been brought to my attention that many importers were unaware of the 1986 Tax Act provision until after the filing deadline. The fact that this provision was contained in a tax bill rather than a trade bill may have contributed to the provision going largely unnoticed by affected parties.

My legislation allows importers an additional 90 days to file a proper request with the U.S. Customs Service for the reliquidation of entries that were the subject of the technical correction.

#### IMPROVING REGULATORY REQUIREMENTS FOR PCB'S

#### HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. SKELTON. Mr. Speaker, today, along with my colleagues Congressmen SYNAR, CLINGER, and WHEAT, I introduce a bill, which will improve and strengthen the regulatory requirements for polychlorinated biphenyls [PCB's] disposal activities.

Mr. Speaker, I take this opportunity to tell you and this body why Holden, a small town in Missouri, exemplifies just why the bill is needed.

For many of my constituents who live in and around Holden and Johnson County, MO, PCB's have become a very serious issue. At least 13 million pounds of contaminated PCB's were abandoned right in the middle of that small town. Just last week, after a major effort by a great many people, the removal of the PCB's—which could cost between \$25 and \$50 million—finally got underway.

The chemical company which operated the facility at Holden is in bankruptcy. They have no money available to clean up their closed facility. Therefore, the original companies who

generated the hazardous waste—and who have already paid once for its disposal—will now be required to pay for disposal of these PCB's again. Plus, these originating firms are liable for the cost of cleaning up the bankrupt facility and its grounds.

The citizens of Holden have had to live with this carcinogen for more than 1 year as investigators attempted to track down who sent just how much waste to Holden. The investigators have been hampered by a missing link—three is no system to track the waste from owner to disposer.

The bill we are introducing today is designed to close some glaring loopholes in Federal law and tighten up controls of these hazardous materials.

Current regulations do not require the tracking of PCB material from cradle to grave. Our bill would change that. It would require uniform manifests to accompany all regulated PCB material once it leaves the owner's final storage facility for disposal. For a community such as Holden, the bill also will assist in identifying how much waste has been abandoned and will target the originators of such waste.

Further, the bill requires financial responsibility of those handling the toxic material for closure of the facility and accidental occurrences.

This bill is not a cure all, but it does close a significant loophole that threatens the health and well being of citizens.

#### LEGISLATION TO IMPROVE THE HANDLING OF PCB'S

**HON. WILLIAM F. CLINGER, JR.**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Mr. CLINGER. Mr. Speaker, it is a real pleasure to join my colleagues this morning to announce the introduction of bipartisan legislation designed to strengthen the laws governing the handling of PCB's.

Virtually every State in this Nation has PCB's transported on its roads and stored in its warehouses. The vast majority of the PCB material is handled and disposed of in a safe and responsible manner.

However, during the course of the subcommittee's investigations, it has become apparent that there are serious shortcomings in the laws governing those firms that serve as intermediary handlers, or "brokers", of PCB's. Under current law it is almost impossible to identify which firms are serving as brokers, much less ensure the safe handling of PCB's by those firms.

Disturbing evidence was presented to the subcommittee earlier this year, regarding firms which had lost their PCB disposal permit due to storage and disposal violations, turning right around and opening up shop as PCB brokers. The legislation we are introducing today is designed to put an end to these practices and to get irresponsible unreliable firms out of the business of handling PCB's.

As Chairman SYNAR has already mentioned, the bill would establish manifest requirements, require brokers to receive EPA approval, and

would establish financial responsibility requirements to ensure that taxpayers are not left "holding the bag" for the clean-up and disposal of PCB's.

Much of the groundwork for this legislation has been laid through the subcommittee's numerous hearings and through the work of members like Mr. SKELTON and Mr. WHEAT. In addition, many hours of discussion have taken place with representatives of the environmental community, officials from chemical manufacturers and utilities, and personnel from the Environmental Protection Agency, in an attempt to achieve a cooperative consensus on this issue. I am confident that these efforts will contribute not only to the speedy passage of this legislation, but also to the effective implementation of the bill's provisions.

#### DISPLACED HOMEMAKERS: OUR MOTHERS, OUR AUNTS, OUR SISTERS, OUR FRIENDS

**HON. OLYMPIA J. SNOWE**

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, July 30, 1987*

Ms. SNOWE. Mr. Speaker, yesterday the Displaced Homemakers Network released a new study, based on the 1980 census, showing that there are approximately 11.5 million displaced homemakers in America, and I would like to share the opening statement made by the executive director of the organization, Jill Miller, with you. The last study, done by the Department of Labor in 1976, showed that there were 4.1 million displaced homemakers.

For those of my colleagues who are not familiar with this group, a displaced homemaker is defined as a woman whose principal job has been homemaking and who has lost her main source of income because of divorce, separation, widowhood, disability, or long-term unemployment of a spouse, or loss of eligibility for public assistance. The Displaced Homemakers Network and its State and local members help provide support and information pre-vocational training—including personal development, career exploration, and job readiness skills—and a variety of courses and workshops. These services, along with the support offered by the staff, are enabling displaced homemakers to overcome otherwise insurmountable obstacles to rebuilding their lives and become self-sufficient.

In my own State of Maine, this study found 58,445 displaced homemakers. While this number is sobering and points out the continuing need to help these women, I would like to bring to your attention the work being done by the Maine displaced homemakers project. Since its founding in 1978, the program has helped over 10,500 women. For this reason, I believe it was particularly fitting for the founder of the Maine program, Gilda Nardon, to be present at the press conference. Through her hard work, and that of others involved with the Maine project, 2,000 to 3,000 women a year are being helped.

The displaced homemaker, as shown by this study, is not just one or two women, but 11.5 million women. These women are not

statistics, they are our mothers, our aunts, our sisters and our friends, and they need our help.

STATEMENT OF JILL MILLER, EXECUTIVE DIRECTOR, THE DISPLACED HOMEMAKERS NETWORK, JULY 29, 1987

Good morning, I am Jill Miller, executive director of the Displaced Homemakers Network. We are a voluntary association of nearly one thousand programs nationwide that work to help displaced homemakers become financially independent.

What is a displaced homemaker? Let me give you the operational definition first. A displaced homemaker is a woman whose principal job has been homemaking and who has lost her main source of income because of divorce, separation, widowhood, disability or long-term unemployment of a spouse, or due to loss of eligibility for public assistance.

Now the view from the kitchen table. Displaced homemakers are our widowed aunts, our mothers, our divorced sisters and friends. They are welfare mothers and country club matrons. They are widowed, divorced, homeless, battered and abandoned. They are black, white, Hispanic, Asian and native American women from rural and urban areas. Some still support young children. Some have children who have been out of the home for years. In short, all kinds of women can be displaced.

These are the women who drove the car pools, ran the bake sales, and organized the Scout troops and the baseball leagues. And for their very sizable contributions to their families, our communities and our country, they have gotten a very raw deal.

In the words of one of our founders, the late Tish Sommers, displaced homemaker means "forcibly exiled. As in refugees. And that's precisely what these women are."

Our purpose in issuing this report is to outline for you the status of displaced homemakers in America today. Let me trace for you the genesis of this report, in order to put our findings in context.

When Tish Sommers coined this term in 1974, she founded a movement. Out of the shadows came women from all walks of life who had not known their situation was a national problem of epidemic proportions. These women had no political clout to take their problems to the Halls of Congress. They had no voice, no organization. And, for the most part, they were too busy trying to make ends meet to worry about their collective misfortune.

The displaced homemakers network became their voice. We went to Congress and told their stories—the stories of women who had fallen through the cracks in our Nation's support services. Their stories go something like this: they are unemployed because they have no recent job history, training or education. They are frequently too young for Social Security and many will never qualify because they have been divorced from the family's wage-earner. They may be ineligible for Federal welfare assistance if they are not physically disabled and if their children are eighteen or older. They cannot collect unemployment insurance because they have been engaged in unpaid labor in the home. Too often they lack protection from health insurance or pension plans, without their husbands' presence.

We told these stories in the Halls of Congress and policymakers asked us repeatedly: How many of these women are there? Most policymakers doubted there could be many left, since everyone knows that women have

entered the paid workforce in record numbers. In short, displaced homemakers are the dark side of the women's movement: Silent victims of the misperception that the much publicized progress of their professional sisters is actually progress for all women.

In 1976, the women's bureau of the Department of Labor gave us the numbers we needed. Their study identified 4.1 million displaced homemakers in America. Since that time, those same policymakers whom we have lobbied over the years have asked repeatedly, "Isn't this problem going away? Surely, these women are being replaced by women who are entering the paid workforce."

We knew this was not the case. In the last two years alone, the number of displaced homemaker programs increased from roughly 400 to nearly 1,000—and the demand continues. Far from a shrinking population, displaced homemakers appeared to be growing daily. But again, we needed numbers.

Today we are here to tell you that, unfortunately, the news of our demise has been greatly exaggerated. There are 11.5 million displaced homemakers in America today, according to our analysis of census data. This represents nearly a three-fold increase since the last count. But the numbers are only part of the picture. Those who work with these women every day know the senseless waste of human potential that our national indifference has created.

## HUMAN RIGHTS VIOLATIONS IN BULGARIA

### HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 30, 1987

Mr. YATRON. Mr. Speaker, I rise to take this opportunity to discuss human rights violations in Bulgaria, particularly the situation involving the ethnic Turkish minority. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, I have been closely monitoring this matter and am becoming increasingly alarmed over the treatment of Turks in Bulgaria. Information contained in Amnesty International's recent report on Bulgaria indicates that abuses targeted against the Turks are increasing. Helsinki Watch and other international human rights organizations, as well as the State Department's human rights reports also continue to document the severe treatment of Turks.

Hopes that glasnost will reverberate in a positive way in Bulgaria as it seems to have in some other East European countries are quickly dissipated with the realization that the Government's forced assimilation and name-change campaign continues to subject the Turkish population to unspeakable human

rights crimes, including murder, torture, and forced starvation. While the plight of the Turks is indeed most bleak, the Bulgarian people also suffer an extreme repression under a small clique which tightly controls all fundamental freedoms such as speech, press, religion, association, travel, emigration, and due process, in violation of the Universal Declaration of Human Rights, the Helsinki accords, and other international covenants.

Unfortunately, the Bulgarian Government has been totally unresponsive to international entreaties, congressional demands and State Department representations. Notwithstanding the limits of United States influence with Bulgarian authorities, the situation is so grave as to demand a more assertive policy. During my involvement with human rights issues, I have seen too many instances where anything less than constant and continual pressure will fail to yield results.

I have contacted Assistant Secretary of State for Human Rights and Humanitarian Affairs, Richard Schifter, in order to develop a bipartisan effort promoting greater respect for human rights in Bulgaria and to ease the plight of the Turkish minority. I am hopeful that we can encourage Bulgarian authorities to be more forthcoming on human rights issues.